

# LOTTERY COMMUNITY FACILITIES FUND

Te Tahua Hapori Ngā Whakaurunga

## Frequently Asked Questions



NZ Lottery Grants Board  
TE PUNA TAHUA  
Distributor of NZ Lottery Profits

### ABOUT THE FUND

#### What is the purpose of the Lottery Community Facilities Fund (the Fund)?

Funding may be provided for building projects to construct and improve community facilities that support participation in community activities and social interaction to foster community cohesion and strengthen communities.

#### Who administers the Fund?

The Department of Internal Affairs administers the New Zealand Lottery Grants Board.

#### Who decides which projects will receive a grant?

The Lottery Community Facilities Committee (the Committee) is made up of five members selected from New Zealand communities. The Committee makes the final decision on which projects receive funding.

#### What types of projects will be considered for funding?

Projects must be for community purposes that involve a community benefit of a public nature.

Projects must also be consistent with the objective of the Fund and they must be for community facilities that foster community cohesion and strengthen communities.

Funding may be granted for

- projects that have a total actual cost of over \$30,000
- new facilities and the upgrading of existing facilities
- land that is being purchased for establishing a community facility
- feasibility studies.

#### What types of projects will not be funded?

- Projects that fit the purposes of another Lottery distribution committee such as Lottery Environment and Heritage or Lottery Marae Heritage and Facilities
- projects costing \$30,000 or less in total - applicants with projects costing \$30,000 or less can apply to other Lottery committees such as Lottery Community or Lottery Outdoor Safety, depending on the type of project
- corporate boxes and hospitality suites
- residential accommodation - accommodation that will be a person's usual place of residence

- the purchase of land only with no immediate plans to build
- projects that will not remain for the benefit of the community in New Zealand
- projects that have been completed by the closing date for applications to the Fund
- debt servicing i.e. if a loan has been taken out to fund the project Lottery funding cannot be approved for the repayment of the loan
- Local Authority projects seeking funding for the costs of network infrastructures, as defined in section 197 of the Local Government Act 2002
- projects that have regularly been funded in the past by a Local Authority
- aspects of projects that are the responsibility of another funding body such as Sport and Recreation New Zealand (SPARC) or Creative New Zealand. Consideration will be given to funding the wider community benefits of such projects.

#### Where can we find more information on the Fund?

Information sheets about both the Lottery Grants Board and this Fund, the Registration Form, Application Form, Application Guide and Feasibility Study Guide can be found at [www.cdgo.govt.nz](http://www.cdgo.govt.nz). You can also contact the Department of Internal Affairs on **freephone 0800 824 824** between 8am and 5pm Monday to Friday or email [grantsonline@dia.govt.nz](mailto:grantsonline@dia.govt.nz). One of the Department's Client Information Officers will help you.

### APPLYING TO THE FUND

#### Who can apply to the Fund?

Any organisation can apply, but to be considered for funding organisations need to have legal entity status (except if applying for a feasibility study grant of \$10,000 or less). Examples of legal entity status include incorporated societies, charitable trusts and Māori trusts. Applicant organisations should have robust governance and management arrangements.

Local Authorities can apply for building projects outside of their core area of responsibility, as defined in the Local Government Act 2002.

#### At what stage of the project should we apply?

It is preferred that projects be submitted only when the uses, size, general design, financing, staffing and maintenance plans for the facility have been agreed by the organisation. Where possible, all necessary

planning permissions, building and resource consents should be in place.

### How do organisations apply to the Fund?

You can make an application online or on paper. We prefer you to apply online.

Please register as a Lottery client before making an application. The registration process can be completed online at [www.cdgo.govt.nz](http://www.cdgo.govt.nz) or you can download the Registration Form and the Application Form from that site. If you forget your username and password after registering, contact **freephone 0800 824 824** between 8am and 5pm Monday to Friday.

If you do not have access to a computer, contact **freephone 0800 824 824** and request an Application Pack. The forms can be completed by hand.

The postal address for all documents associated with your application is

The Committee Coordinator  
Lottery Community Facilities Fund  
New Zealand Lottery Grants Board  
Department of Internal Affairs  
PO Box 805  
WELLINGTON 6140

Applications must reach the above office by 4pm on the closing date, regardless of the method of delivery. Faxed application forms and/or accompanying documentation will not be accepted.

Applications that arrive after 4pm on the closing date will not be considered at that meeting.

### How often will the distribution committee meet to allocate funding?

The Committee meets twice yearly.

### When are the closing and meeting dates for the next funding round?

Committee closing and meeting dates can be found at [www.cdgo.govt.nz](http://www.cdgo.govt.nz) or contact **freephone 0800 824 824** between 8am and 5pm Monday to Friday.

### What if the application is late?

Applications that arrive after 4pm on the closing date will not be considered at that meeting. The application can be submitted to the subsequent funding round, if the timing of the project permits this. However, you will probably need to update the supporting documentation.

### When does supporting documentation have to be provided?

Supporting documents should be posted with your Registration and Application Form if you are applying on paper. If you are applying online supporting documents should be sent to the Lottery Community Facilities Fund, PO Box 805, Wellington 6140 as soon as possible after submitting your application.

Failure to provide the required supporting documentation, within ten

working days of the letter acknowledging your application, will almost certainly result in the Committee declining the application at its distribution meeting.

### Are there any prerequisites?

- Most building projects will need to include a feasibility study showing that the project is technically feasible, the organisation undertaking the project has demonstrated the ability and expertise to successfully complete the project, and is able to sufficiently demonstrate where all the funds required to complete the project will come from.
- Where possible, appropriate consents and permits should have been granted.
- The project must have a person with relevant skills, specified as the project manager, to oversee and be responsible for the project.
- The organisation must be able to demonstrate that it holds at least 33.3% of the 'total remaining cost' of the project.

Prerequisite funds can include

- cash-in-hand
- grants
- borrowed monies, such as, loans, debentures, bridging finance and overdrafts (applicants must provide loan approval letters and evidence of their ability to repay borrowed monies – this cannot include any Lottery grant that may be approved). Applicants need to demonstrate the ability to service any debt. The Committee is less likely to support organisations that it considers will be excessively reliant on loans to meet the cost of their facilities.

Prerequisite funds cannot include the following

- previous Lottery grants
- unconfirmed funds
- the value of any voluntary labour
- the value of any discounts
- the value of work already completed for the project
- unrealised pledges and debentures (this includes the value of any unrealised offers to donate materials).

### What types of projects require feasibility studies?

It is advisable to get a feasibility study when you are considering a new facility or a major redevelopment project. A feasibility study assesses options to achieve the objectives of the project, and should be prepared by an independent consultant or organisation (the consultant) with relevant qualifications and experience in preparing feasibility studies. The Committee believes that access to professional expertise will help organisations develop sound project plans and applications for funding.

The Committee can approve grants of up to \$20,000 towards the cost of a feasibility study. Please note, you cannot apply for funding for a feasibility study and the related building project in the same funding round.

As an indicator, feasibility studies will be required for projects such as

- building a major new facility

- buying an existing building
- undertaking major renovations or upgrades
- those with a total cost greater than \$50,000.

However, the Committee may support a straightforward project that does not require permits or consents or a project costing less than \$50,000, without seeing a feasibility study. For example

- the replacement of a roof
- modification of toilet facilities to meet the needs of people with disabilities.

If you are still not sure if your project needs a feasibility study, please contact the Lottery Community Facilities Committee Coordinator on **freephone 0800 824 824**.

### What is the process after an application is submitted?

Projects will be assessed for compliance with the Fund's criteria. Department of Internal Affairs staff will prepare a report to be considered by the Lottery Community Facilities Committee. These staff may contact or visit your organisation and/or project.

### How will applications be assessed?

Applications will be assessed on

- whether the project has community purposes of a public nature
- how well the project fits the Committee's criteria and priorities
- the outcomes that will be achieved by the project
- the extent of community support for the project
- the community need for the project
- the funds available for distribution
- the demand on the Fund
- the feasibility of the project and its ongoing sustainability.

## AFTER FUNDING DECISIONS ARE MADE BY THE DISTRIBUTION COMMITTEE

### What is the process for advising organisations about the outcome of their applications?

Once the Committee has made its decision regarding applications, applicants will be advised by mail whether or not they have been successful, and how much has been granted. The letter will contain further grant conditions. If you accept these additional grant terms and conditions a copy of the Grant Acceptance Declaration needs to be signed and returned to the Lottery Community Facilities Fund, PO Box 805, Wellington 6140.

### If an application is unsuccessful, can the applicant ask for the decision to be reconsidered?

Funding decisions are not subject to review.

To manage demand on the Fund, it may be necessary for the Committee to set funding limits.

This may mean that the Committee is not able to fully fund applications.

It may also mean that a number of worthy applications will not be funded.

You may submit another application for a previously declined project to the next funding round, but it is recommended that you discuss this course of action with the Lottery Community Facilities Committee Coordinator first.

### If unsuccessful applicants want to reapply to another funding round, what do they need to do?

Because unsuccessful applications will not be 'carried over' to the next funding round a new application will have to be submitted. A new Lottery Group Client Agreement Form and documentation will need to be sent in.

It is suggested that the applicant contact the Lottery Community Facilities Committee Coordinator, on **freephone 0800 824 824**, before submitting a new application.

### What is the payment process?

This may vary depending on the nature of the project. Payment will be to your organisation and will be made on receipt of paid invoices. Payments may be based on milestones.

### Is there a set period in which grants from the Fund must be uplifted and spent?

The date by which the grant must be spent will be shown in the letter received by successful applicants. If a longer period is needed an extension of time must be requested in writing before the period stipulated for spending the grant has expired. If the grant is not fully expended by the specified timeframe, and an extension has not been sought, the unexpended portion of the grant may be written back for allocation to future Lottery Community Facilities Fund applicants.

In special circumstances the Committee may approve a longer timeframe for spending the grant from the outset.

### Will the grant be subject to Goods and Services Tax (GST)?

Yes. If your organisation is registered for GST the amounts requested in the funding application should not include GST. GST will be added to the grant. If your organisation is not registered for GST the amount you apply for should include GST.

### Accountability Reports and other requirements

Grant recipients are required to provide accountability reports to the Department of Internal Affairs within specified timeframes.

There are also a number of other requirements that must be adhered to by all applicants to Lottery grants. These are set out in the Lottery Grants Board General Information Sheet.

### What should I do if I need help with making an application?

Contact the Department of Internal Affairs on **freephone 0800 824 824** between 8am and 5pm Monday to Friday or **email grantsonline@dia.govt.nz**. One of the Department's Client Information Officers will help you or direct you to the most appropriate person to assist you.

