



GRANT SPEND IN OTAGO

A review of grant making into the Otago Community Trust region for 2015

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Philanthropic Landscape in the Otago Community Trust region.

The purpose of the work is to understand the nature of the grant making landscape in the catchment of the Otago Community Trust (OCT):

- To better understand the priorities and focus of other grant makers at both a high and detailed level
- To communicate that information to your stakeholder groups
- To use the analysis tools to help shape budgets for the following year
- To empower staff and trustees with a simple tool which allows them to see where other grants are going

Population

Data has been drawn from the latest publically available information from larger organisations who fund into Otago.

In some cases, grant makers publish their grants as soon as decisions are made. In others, the data is produced along with annual reporting cycles. With Councils, their decisions are included within published meeting minutes. As a result, the data is not over a consistent twelve month period. There are several reasons for this:

- There is the most value in up to date information. At a micro level details of recent grants will provide useful information to OCT.
- Grants are often consistent from year to year, with the exception of large capital spends.
- Differing balance dates mean that data will always be out of alignment, unless information is sourced from all grant makers directly.

NZCT	1 Oct 14 – 30 Sept 15	Southern Trust	1 Oct 14 – 30 Sept 15	Air Rescue and Community Services	1 Jan15 – 31 Dec 15	The Trusts Community Foundation Ltd	1 April 14 – 31 Mar 15
Pub Charity	1 Oct 14 – 30 Sept 15	Mainland Foundation (no data found)	1 Aug 14 – 31 July 15	Trust Aoraki Ltd	1 April 14 – 31 Mar 15	The Bendigo Valley Sports and Charity Foundation	1 Jan – 31 Dec 15

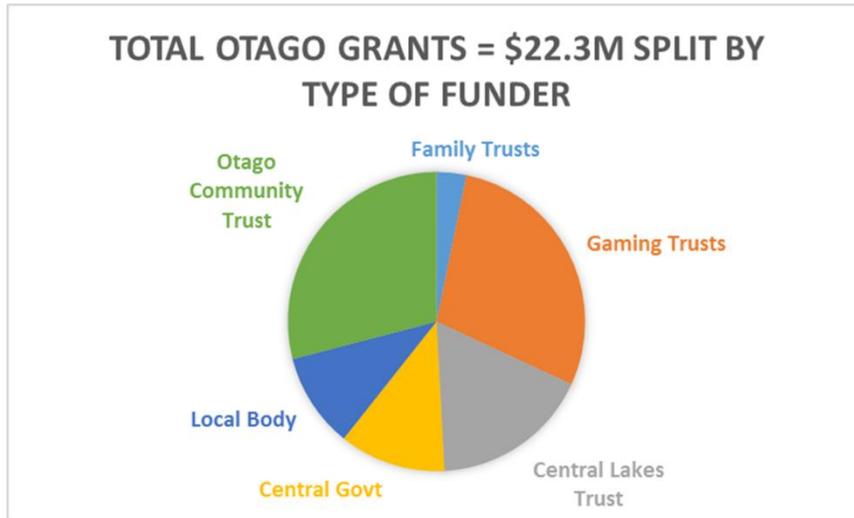
Lion Foundation	1 Jan – 31 Dec 15	Youthtown	1 Jan 15 – 31 Dec 15	The Southern Victoria Trust	1 Dec 14 – 30 Nov 15	Central Lakes Trust	1 April 14 – 31 Mar 15
Otago Community Trust	1 Jan 15 – 31 Dec 15	Lotteries and DIA funds	1 Jan – 31 Dec 15	Ngai Tahu Fund	1 Jan 15 – 31 Dec 15	Creative NZ	1 Jan 15 – 31 Dec 15
AAW Jones	1 Apr 14 – 31 Mar 15	The Alexander McMillan Trust	1 Apr 14 – 31 Mar 15	Todd	1 Jan 15 – 31 Dec 15	Tindall	1 April 14 – 31 Mar 15
J R McKenzie	1 Apr 13 – 31 Mar 14	Dunedin City Council	1 Jan 15 – 31 Dec 15	Queenstown Lakes District Council		Central Otago District Council	1 Jan 15 v- 31 Dec 15
Waitaki District Council	1 Jan 15 – 31 Dec 15	Clutha District Council					

Each grant has been categorised into one of seven groups, and then sub categorised for further analysis based on the OCT classifications. Where appropriate, particularly for Sport, the code has been categorised to see grants at a individual sport code level (i.e., Rugby, Hockey, Netball). Grants have also been put into Local Area Government zone as well, although for some organisations who work across the region, their grants are tagged for Dunedin. There will be some coding errors in the database, but the assumption is that, on balance, at a high level the data is correct.

Dunedin City Council (DCC) provided all of their grant and support information. Excluded from the analysis is their “Property Arrangement Grant” which applies to groups which have a rental subsidy from the Council. This totals \$1.7m, but as the grant is not part of the contestable pool, they have been excluded. Also excluded are Rates Relief programmes, which total just over \$0.5m. Some funders have contestable grants to individuals, notably DCC, Creative New Zealand (CNZ) and Ngai Tahu. These recipients are put into the correct level at a high level, but their sub-classification is Person. Waitaki District Council (WDC) and Central Otago District Council (CODC) have sent their funds through, and there has been no response from Queenstown Lakes District Council (QLDC). CDC’s details were not supplied. It is expected that these grants will not make a significant difference to the total view of the overall Otago region, but are likely to affect the individual regional view (i.e., South Otago).

Findings

Some \$22.3 million has gone into Otago in 2015 from grants processes. There were 2217 grants into the area over that time. Grants came from the following sorts of funders:



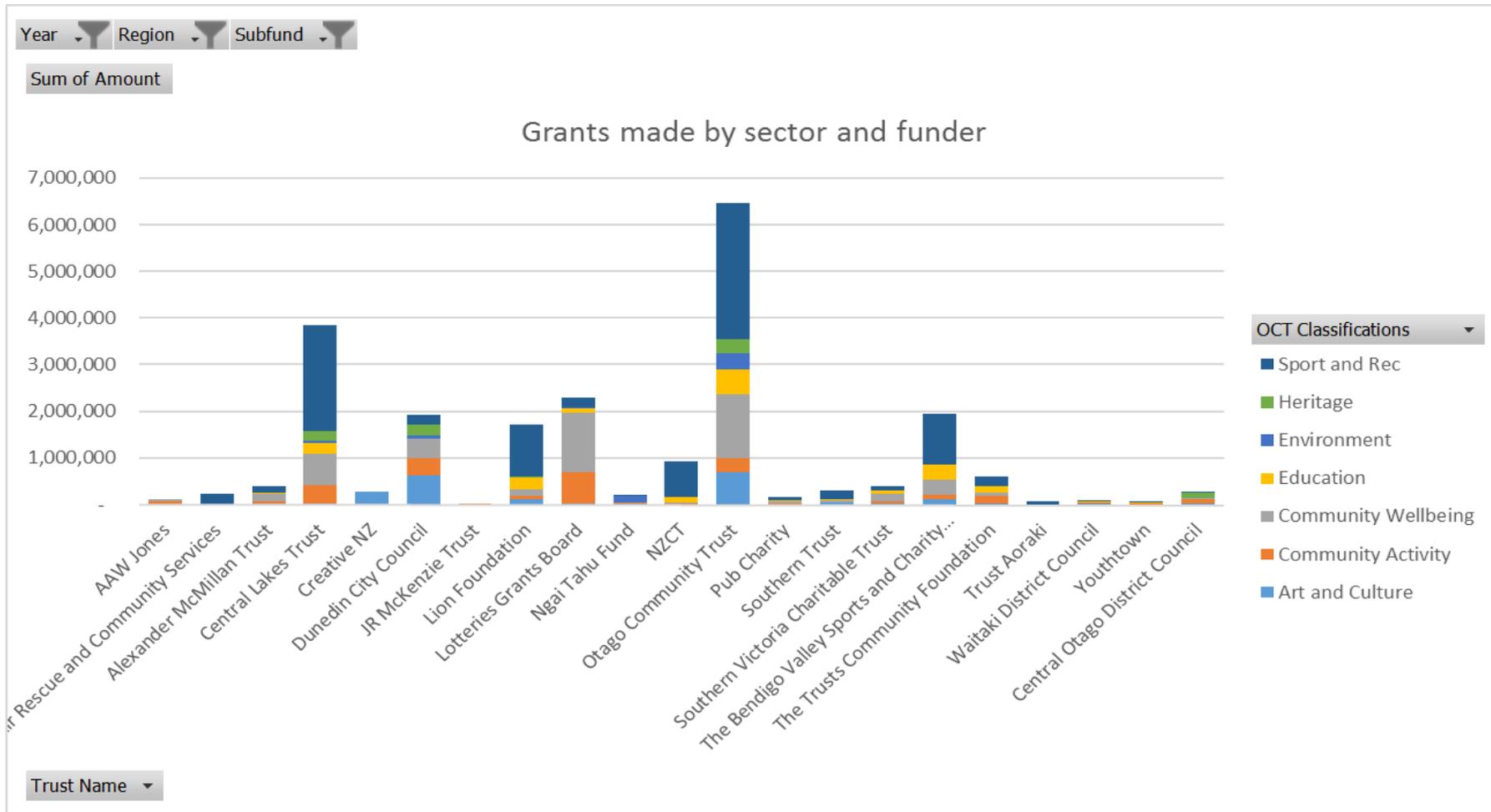
- 29% of this comes from OCT
- 29% comes from Gaming Trusts
- 17% comes from Central Lakes Trust
- Around 10% has come from Local Government. This is understated, but probably by only a small percentage
- 12% from Central Government (funded from Lotteries, and distributed via Creative NZ or DIA)

When we look at how those grants are split, we see the following.

Sector	Quantum	Percentage	Count of Grants	Average Donation
Arts and Culture	\$2,039,311	9%	275	\$7,416
Community Activity	\$2,451,048	11%	345	\$7,104
Community Wellbeing	\$4,811,310	22%	374	\$12,864
Education	\$1,853,162	8%	316	\$5,864
Environment	\$627,335	3%	41	\$15,301
Heritage	\$934,704	4%	59	\$15,842
Sport and Rec	\$9,535,313	43%	807	\$11,816
Total	\$22,252,185	100%	2,217	\$10,037

Looking at the number of organisations receiving funding, some 1238 groups received grants, with each organisation receiving just over 1.9 grants a year. Around 40% of organisations only sourced one grant from one organisation. It is important to note that grants are only part of the revenue stream of a particular Not for Profit (NFP), with other income coming from government contracts, fundraising activities within their own communities, subs and fees, social enterprise, or their own capital foundation. The very small trusts, such as those managed by lawyers, have not been examined, due to issues over accurate data and the materiality of their role.

We can then look at specific funds and see who funds what. From the chart below its readily apparent that there are six main funders in the region accounting for almost 82% of grants made, with the others making the balance. Todd and Tindall were examined, but there were no grants from these entities over the period examined.

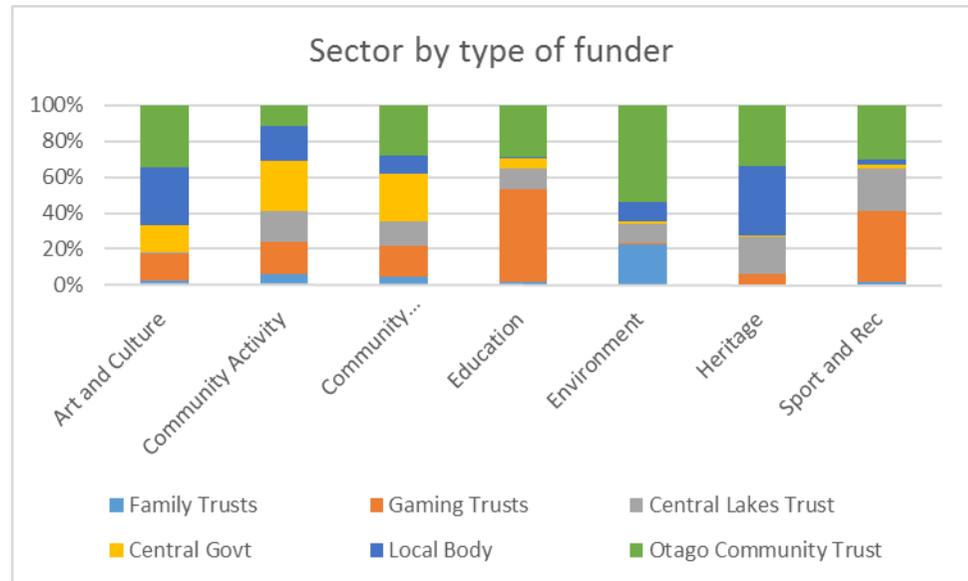


A differing view of the same data is presented here. This shows how the various funders fund different sectors, and shows the percentage of funding by sector for each grant making type. All of the Gaming trusts are bundled together, along with the various local bodies and family trusts. Ngai Tahu is included within the family trust category. The data also shows that combined Gaming trusts account for 29% of the funds, OCT also 29%, Central Lakes Trust 17%, Central Government (Lotteries and CNZ) 12%, local bodies 10% (excluding QLDC and CDC), and Family Trusts 3%.

We can see from this chart that Gaming trusts fund around 50% of the education sector, and just over 40% of sport. Family trusts are drivers of the environment category, driven largely by Ngai Tahu investment in Mahinga Kai.

Central Government, through both Lotteries and Creative New Zealand, fund mostly into Arts and grass roots community organisations, along with more critical social services. Local bodies are funders into arts and culture, mainly due to the Creative Communities grants from CNZ. They also are a big funder into Heritage due to Dunedin’s investment. The perpetual trusts of Central Lakes Trust and Otago Community Trust are fund across the sector, although Central Lakes Trust is minimal into Arts and Culture.

Sport is an interesting sector, and seems to have received some significant capital grants over the year.



The largest amounts have gone to venues, driven by a \$1M grant made by Lotteries to the Wanaka Facility, and a \$500,000 grant by Otago Community Trust. Hockey too has received significant capital support, with the Central Otago Sports Turf trust supported by Central Lakes Trust, Otago Community Trust, NZCT and Lion to the tune of \$1.2M. Swimming has received \$776,000 last year, driven mostly by capital grants of just over \$700,000 to the Otago Therapeutic Pool trust.

In a “business as usual” sense the sport getting the most support from donations seems to be rugby union, with a total donated of \$634,000 from some 66 grants. This seems to be largely operational support. Cricket too has 47 grants, although there are some capex related items. What is also interesting, and was a similar case in Canterbury, is that Netball, the first female dominant sport, is well down the list of funding recipients, at number 15 on the list.

1	Venue	\$ 1,733,644	Driven by large capex of \$1.5M into Wanaka Sports Facility. Also \$140,000 into Green Island's Sunnyvale Sports Complex
2	Hockey	\$ 1,351,709	Driven by \$1.2M capex into Central Otago Sports Turf Trust. Balance into operational support, including almost \$100,000 into three Hockey Assns

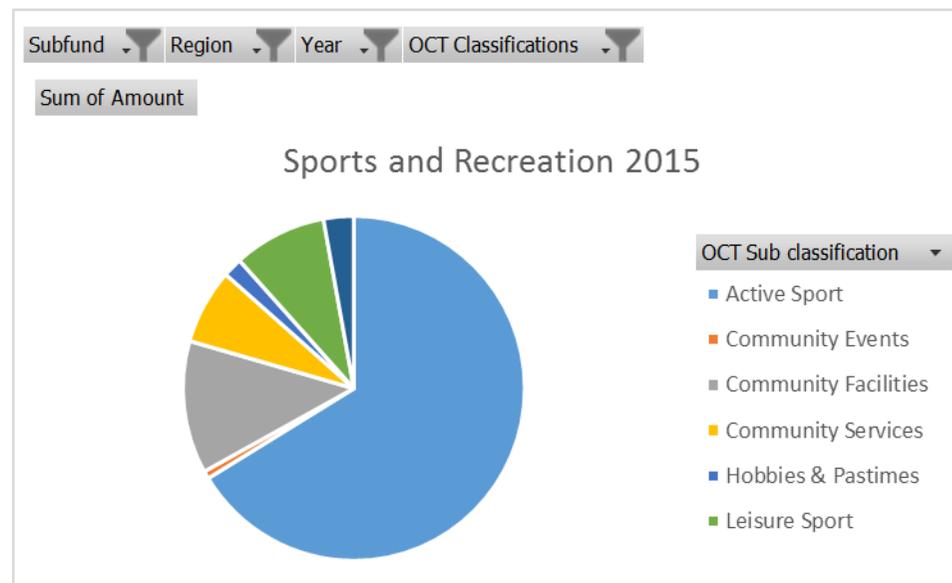
3	Swimming	\$ 779,325	Driven by capex of \$710,000 into Otago Therapeutic Pool Trust. Balance into swim clubs and rural pool support
4	Cricket	\$ 679,989	Operational funding. Around \$620,000 into regional cricket bodies of Otago Cricket Assn, Otago Country Cricket Assn, North Otago Cricket Assn, and Dunedin Cricket Assn. Balance into clubs.
5	Rugby Union	\$ 634,318	Operational funding. Almost \$300,000 into regional rugby bodies of Otago Rugby Football Union, and North Otago Rugby Football Union. Balance into clubs.
6	Organiser	\$ 575,098	Operational funding. Around \$365,000 into Sport Central, Sport Clutha, Sport Otago and Sport Waitaki. \$54,000 into Otago Secondary Schools Sports Assn, balance to smaller organisers.
7	Football	\$ 440,155	All operational funding. \$280,000 into Football South, balance into clubs
8	Biking	\$ 419,855	Mostly capex, with \$322,000 into Cromwell Bike Park.
9	Event	\$ 310,602	Funding into events: Alps to Ocean, Challenge Wanaka, Masters Games Trust, and Winter Games.
10	Bowls	\$ 277,458	\$58,000 into Bowls Dunedin, balance into clubs
11	Golf	\$ 248,833	All operational support of clubs. 15 clubs provided an average of \$6,465 each
12	Life Saving	\$ 246,010	Almost \$50,000 into national body, for beach education. Balance into Dunedin surf clubs.
13	Athletics	\$ 194,477	Capex of around \$95,000 into Caversham Harrier and Athletic club, \$71,000 into Otago Athletics, balance into clubs
14	Fringe	\$ 188,845	Fringe a general catch all for smaller codes, such as Axeman, Gun Clubs, Rodeo, Weightlifting and Curling. Petanque received \$55,000 for (probably) club rooms
15	Netball	\$ 144,403	Driven largely by \$110,000 into Netball Southern Zone. Balance into clubs and venue (Dunedin Netball Centre)
16	Basketball	\$ 116,972	Driven all (except for \$2,000) by regional basketball body
17	Disabled	\$ 108,640	Driven by Riding for the disabled, Halberg Sport, Parafed sports programmes, and Special Olympics.

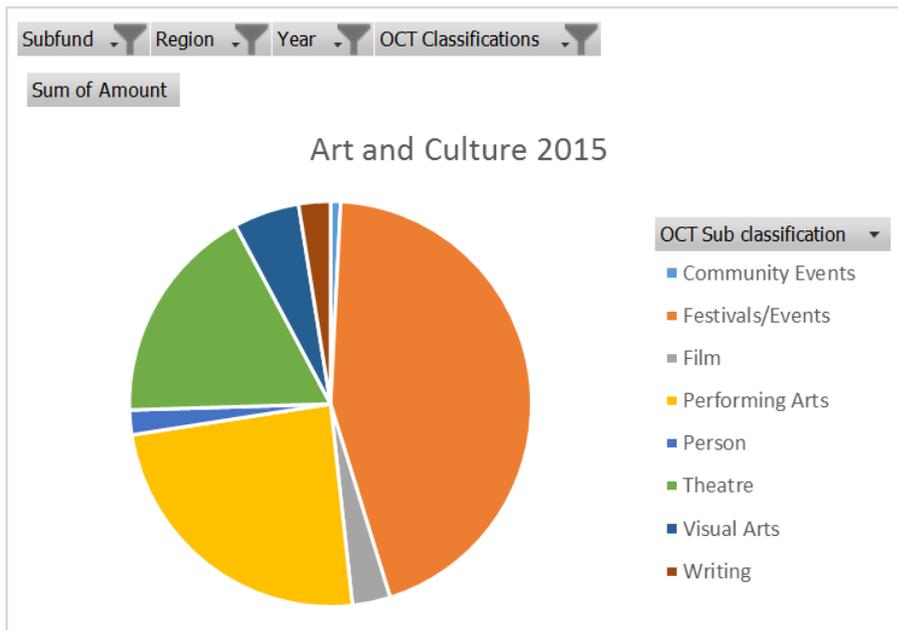
Horsereading is often commented on by some, as receiving large amounts of funds. Within Otago, this sport is well down the list at 36th, with funding going primarily to the Central Otago Trotting Club, and Central Otago Racing Club, generally from the Bendigo Valley Sports and Charity Foundation.

It would be interesting to look at the amount of grants by code and divided by the number of registered participants. Currently, there is little data publically available. As an example, in Canterbury, rugby union, in 2014 had 14,734 players. Dividing the total grants by the number of registered players shows rugby union receives \$240 in grants per player, on top of club registration fees.

At a sub category level, the Sport and Recreation group is shown to the right. There will be some inconsistencies within the data, particularly between the definition between active and leisure sport. The major events supported are the Alps to Ocean, Challenge Wanaka Sports Trust and Winter Games NZ Trust. Included in hobbies and pastimes is activities such as choirs and bands: those groups where the focus seems to be on participation and social connections rather than development of art. Leisure sport looks at sports which are more about community and bunches those together. This shows that around two thirds of the money goes into active sport: although as the previous chart drilled down into this by code, often that funding lands at the regional body level, rather than grass roots clubs. Active Sport also includes the \$1.2m gone into hockey turf in Cromwell, which is where OCT has coded their grant. Community Facilities includes the Wanaka Facility. Community Services includes the capex around the Dunedin Therapeutic Pool.

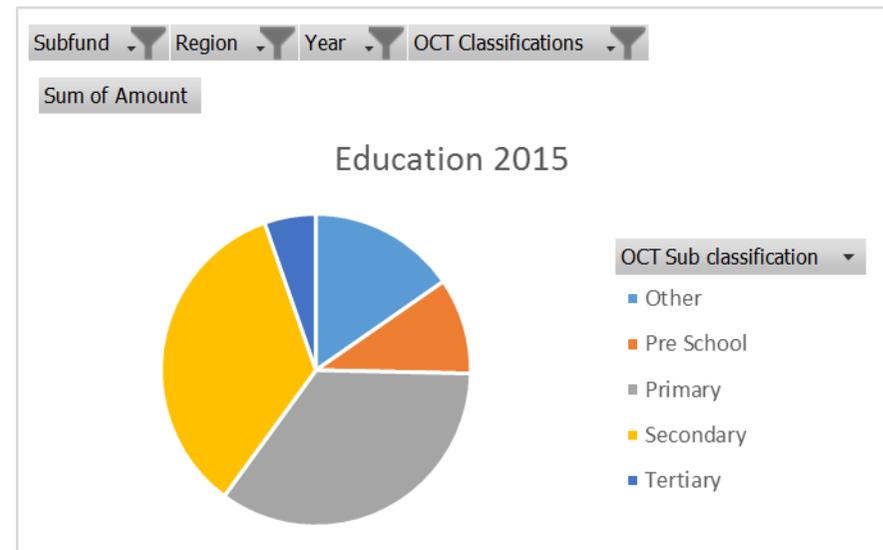
Community events include horse races, and smaller special interest events.

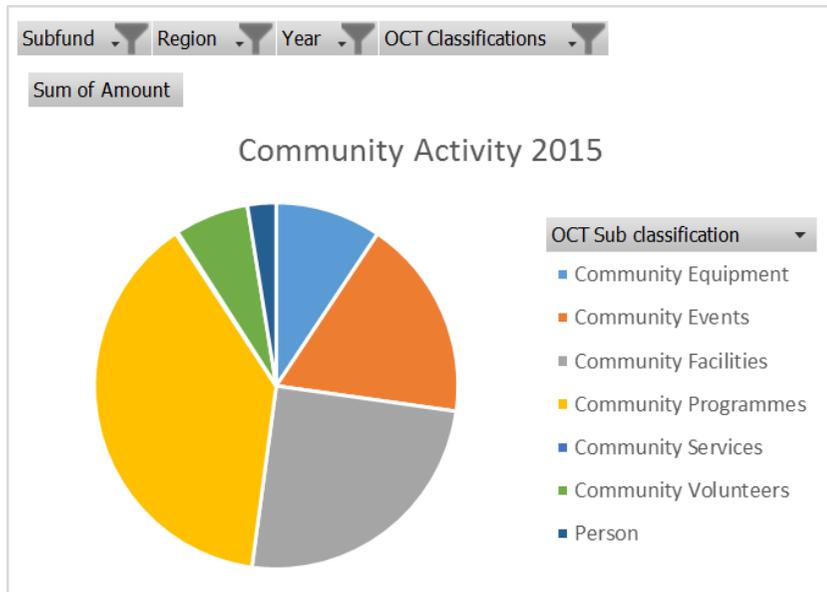




Art and Culture grants have the profile to the left. Almost half the money is used to support festivals / events. The most supported event is the Otago Festival of the Arts, receiving around \$262,000, while the Fringe Festival received some 15 grants totalling \$167,000. There are some smaller amounts gone into both Film and Writing. Around 15% of funding has gone to individuals, mainly funding from CNZ and Ngai Tahu. Performing arts groups received around just under a quarter of the money, with support going into arts groups all over the region. Music groups were largely the recipients of this funding, with Opera, various bands and choirs receiving support. Some of these groups could be classified as Hobbies and Pastimes. Theatre received around \$360,000 with Fortune Theatre receiving almost 57% of the funding for this sector. Visual Arts makes up around 5% of the spend, with money going into the likes of NZ Oamaru Live Stone Art Society, Anna and John Caselberg Charitable Trust, and Blue Oyster Arts Trust.

Education is interesting as well. Primary schools received the greatest amount of funding. Much of this was for equipment, although the largest items were capital, with MacAndrew Bay School receiving \$90,800 for predominantly the school pool. The average grant given to primary schools is around \$4,500, whereas for pre schools it stands at \$2,800. This will be driven in part by the number of children served by any particular preschool. Preschools received smaller amounts, by and large, over 67 grants. Many secondary school grants relate to sport costs: Kings High School received just over \$100,000 of grants, over 13 separate grants from OCT, NZCT, Lion, Southern Victoria and Bendigo. The average secondary schools grant is around \$7,800. Other is largely driven by \$130,000 of grants to Otago Medical Research Foundation.





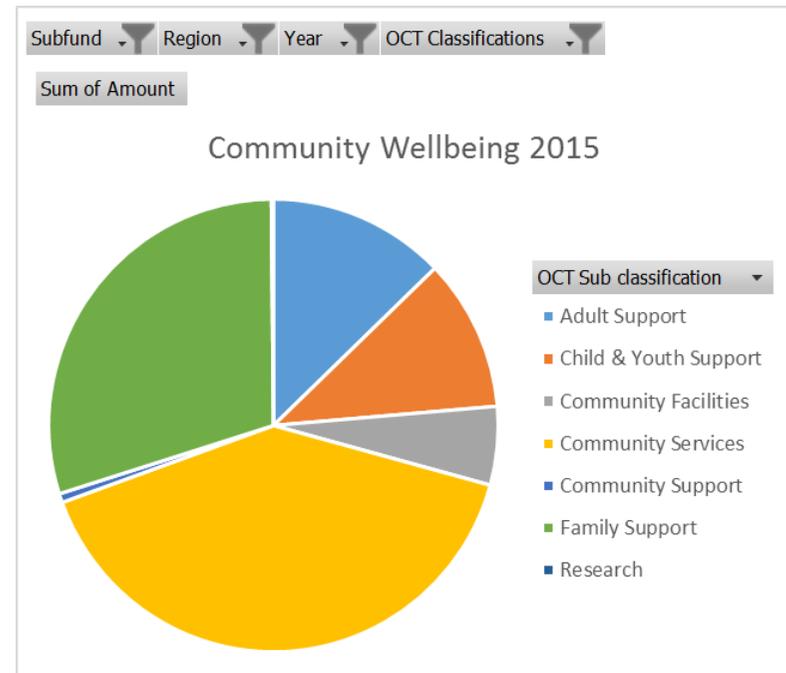
Community Equipment includes Toy Library grants and other identified specific assets.

Community Wellbeing includes those groups which act as health advocates, as well as those “hard core” social services providers. Around \$1.5m of this total spend has gone to health support groups and the like: groups such as Otago Downs Syndrome and Brain Injury Assn. Many of these are coded as Adult Support. Of the Child & Youth Support, this includes both health providers, social services and specialist “youth” services such as Cromwell Youth Services Trust. Community Services are treated as a catch all with the likes of the Hospice, or Anglican Care within that category. Research barely registers, mainly as most grant makers do not advise the purpose of their grants.

Heritage is a relatively small category, with the lion’s share of funds going into restoration. There are no stand outs: Millers Flat Bakehouse Trust and St Patricks of South Dunedin received the largest sums. DCC has a fund of \$200,000 which is used for the upgrade of (usually) privately owned heritage buildings.

Environment had \$627,000 allocated against the sector. Just over half allocated to Parks and Reserves. DCC’s Biodiversity fund accounts for just under \$60,000 and Ngai Tahu’s Mahinga Kai Enhancement fund, accounting for \$138,000 have been allocated to Flora and Fauna.

Community Activity totals around \$2.4M. Many of the groups are considered general community groups, such as ethnic or community neighbourhood groups. There are no real stand out groups here as many of them are grass roots community organisations, or development and promotion arms designed to support business. Community Facility is driven by some capex grants: Bannockburn Community Centre Management Committee received \$150,000 from Lotteries, but there are many grants made to a number of groups. There are a number of community events under this category, such as the Alexandra Blossom festival, Cavalcade, A&P Shows, and Scouting Jamborees.



It's also interesting to look at where the funds landed. Unsurprisingly, the lion's share has gone into the DCC catchment. Part of this is driven by the way various NFPs have been allocated: for groups such as Sport Otago, who benefit the region, these grants are tagged as Dunedin. Also looked at is the number of grants by population. The high per capita grants of both Central Otago and Queenstown are driven by the large capital grants given to sports and recreation facilities. Dunedin per capita will be skewed by the Otago groups: those who service all of Otago are allocated to Dunedin.

Sum of Amount	Column Labels						
Row Labels	CDC	CODC	Dunedin	QLDC	WDC	Grand Total	
Art and Culture		62,542	1,742,591	146,202	87,977	2,039,312	
Community Activity	198,669	644,871	1,166,981	301,661	138,866	2,451,048	
Community Wellbeing	294,000	347,297	3,569,175	506,198	94,640	4,811,310	
Education	129,408	56,489	1,231,718	275,129	160,419	1,853,163	
Environment		17,000	175,570	78,315	356,450	627,335	
Heritage	11,900	319,060	508,200	17,535	78,009	934,704	
Sport and Rec	171,580	980,546	5,241,383	2,843,971	297,834	9,535,313	
Grand Total	805,557	2,427,804	13,635,619	4,169,011	1,214,194	22,252,185	
Population	16,887	17,895	120,249	8,646	20,826	184,503	
Spend per capita	47.70	135.67	113.39	482.19	58.30	120.61	

Grant makers in the region are identified below. There are 12 gaming machine venues in Central Otago District, 11 in Clutha District, 34 in Dunedin, 3 in Queenstown District (Wanaka based), and 12 in Waitaki (sourced from DIA's December 2015 data).

Criteria	Gaming Trusts										Central Govt	Local Govt					Family Trusts						Perpetual Community				
	Lion Foundation	Southern Trust	Youthtown	Pub Charity	NZCT	Bendigo Foundation	Trust Aoraki	Trusts Comm Fdn	Air Res Services	Southern Victoria Trust	Lotteries	Creative NZ	WDC	DCC	QLDC	CODC	CDC	Todd	AAW Jones	Tindall	Alexander McMillan	JR McKenzie	Perpetual trust	Ngai Tahu	OCT	CLT	
Overheads	√								√	√								√		√						√	√
Capital Expenditure	√			√	√	√		√	√	√	√		√	√	√	√	√		√		√		√			√	√
Team Exps incl Uniforms		√		√						√																	
Feasibility Studies	√									√	√																√
Community Wellbeing	√			√		√				√	√		√	√		√		√		√		√	√	√	√	√	√
Capability	√									√	√									√		√				√	√
Heritage	√	√								√	√		√	√		√	√						√	√	√	√	√
Sports Activities	√	√		√	√	√	√	√	√	√	√		√		√		√									√	√
Environment	√	√		√					√	√	√		√		√	√	√						√			√	√
Arts	√	√		√		√		√		√		√	√	√	√		√						√	√	√	√	√
Events	√	√		√	√			√		√			√	√	√											√	√
Youth/Education	√	√	√	√	√	√	√	√	√	√								√		√		√		√	√		
Rates Relief/Service Grants													√														
Territorial Auth	1,4,5	1,4,5	5	1,2,3	1,3,4,5	1,3	5	1,2,3,5	1	1,3	Yes	8	5	1	4	3	2	8	Yes	Yes	Yes	Yes	2	Yes		7	
Notes	<p>1 Dunedin City Council area</p> <p>2 Clutha District Council area</p> <p>3 Central Otago Council Area</p> <p>4 Queenstown Lakes District Council</p> <p>5 Waitaki District Council</p> <p>6 Has a number of Smaller Trusts which they manage which have specific criteria for donating activities</p> <p>7 Some cross over with OCT's funding region</p> <p>8 Mainly National Organisations</p>																										

There is a cost to getting this funding into the community both those applying, and those making grants. A high level analysis has been done of various grant makers' financials. This has looked at the operating costs of making grants, and dividing by the number of successful applications. Not included is the local or central government costs, as those costs are effectively buried in the financial reporting of the entities. It also does not split out other costs that grant makers do, such as investment costs, and bringing groups together. The assumption is that making grants is the core business of the entity, and other activities are secondary to that. Costs range from just under \$1,000 to get a grant into the community to just on \$4,000 per donation. OCT's costs are around \$1,800 per grant.

Almost half of the grants given are less than \$3,000. This is skewed by the Rates Relief grants from DCC. There are 168 such grants, 128 of which are under \$3,000. Of course, the objective is not minimising this: in many cases it's better to have a higher cost per grant to ensure the application has gone through a process. This analysis also fails to account for declined applications: in many cases it takes more time to decline an application to ensure the correct decision is being made than to make a grant in the first place.

Another measure of efficiency could be the operating cost per grant: most organisations sit at a cost of between 17 and 45 cents per dollar given. Greater transparency and sharing of information between groups giving grants could help make more efficient processes and decisions. There is also a cost from an organisation view as well: with over 25 grant giving organisations in the region, finding grant opportunities can take a significant amount of time. This has not been costed, but US work suggests that top performing NFPs will have a cost of around 20 cents in the dollar, and of course some groups pay third parties to do this process for them.