

REGIONAL CULTURE AND HERITAGE FUND: POLICY, CRITERIA AND APPLICANT CHECKLIST

(5 May 2016)



Preamble

Government's role in supporting arts, culture and heritage facilities throughout New Zealand

While **primary responsibility for regional arts, culture and heritage facilities rests with the communities in which they are located**, the Government has an interest in ensuring communities have access to a broad range of arts, culture and heritage facilities. These considerations have led Government to establish the Regional Culture and Heritage Fund (RCHF) for capital projects. The RCHF replaces the Regional Museums Policy for Capital Construction Projects (the RMP).

Overview of how the Fund operates

RCHF funding decisions are made by the Minister for Arts, Culture and Heritage (the Minister). The Ministry for Culture and Heritage (the Ministry) administers the RCHF on behalf of the Minister.

As projects vary, we recommend that all potential applicants to the RCHF contact the Ministry for advice prior to making an application.

Purpose of the RCHF

While open to applicants from throughout New Zealand, the RCHF's primary focus is to support capital projects outside the main centres (Auckland, Wellington, and Christchurch).

The RCHF enables central government to make strategic one-off grants to assist the completion of major regional arts, culture and heritage capital projects.

Grants will be for the purpose of renovating, restoring, adding to, and constructing buildings in which cultural and/or heritage activities take place through grants for infrastructural work and permanent fittings.

The focus of the RCHF is on improving existing building stock and adding new buildings to our nation's network of arts, cultural and heritage facilities.

How much capital funding is available each year?

The Government has set aside funding to support capital developments at arts, culture and heritage facilities to be managed over a three-year period as a multi-year appropriation.

Which institutions can apply

Grants can only be made to legal entities (e.g. incorporated societies, charitable trusts and companies with charitable status). If the organisation making the application is not the land/or building owner, they must provide a letter from the legal owner(s) stating that they support the project and that the general public will have ongoing access to the building as described in the building application.

The intended use of the building and the associated cultural outcomes will be the key determining factors as to whether an application is eligible to be considered.

To be eligible for consideration the primary function of a building will be to:

- provide a performing arts venue for high quality and/or professional performing arts; and/or
- provide an arts, culture and heritage exhibition venue (e.g. art galleries, museums, whare taonga); and/or
- house collections of demonstrated importance to the region (e.g. art galleries, museums, whare taonga, heritage buildings or buildings at heritage sites where collections will be housed and exhibited).

This fund is not intended for institutions established by a government department.

Excluded projects and activities

Projects outside the scope of the RCHF include: educational facilities in schools and universities; standalone libraries, archives and science centres; churches (where the primary purpose is religious); and community centres which are predominantly used and designed for social activities.

General deferred maintenance costs will normally be considered the responsibility of the building owner.

Operational costs and activities such as performances and exhibitions will not be funded.

Collections held (where applicable)

Where applications are received from collecting institutions such as museums, art galleries, and whare taonga, the quality of collections held in that facility will remain a consideration.

The threshold for collection holdings under the RCHF is: being of demonstrable importance to the community and/or region.

Applications for projects involving collections must include a collection statement about the nature and importance of the collection holdings and provide independent expert views from outside the organisation to support the applicant's own assessment.

Timing of Grant Rounds

Each year, the Minister will decide when to call for applications to this annual grant round. This will be publicly announced on the Ministry's website: www.mch.govt.nz. Generally, there will be one grant round held per annum.

Expressions of Interest

All intending applicants should contact the Ministry at an early planning stage to discuss their application in the first instance. It is recommended that potential applicants register expressions of interest prior to submitting a Full Application. Doing so enables the intending applicant to receive preliminary guidance about its project and the RCHF before preparing a Full Application.

A fund of last resort

The Ministry is looking for developed projects able to demonstrate clearly that they have strong community-led support and investment.

Intending applicants should ensure that the projected costs of their project and their fundraising plans are as accurate and up-to-date as possible as there can be no expectation of further funding being awarded from the RCHF to accommodate unforeseen or additional costs.

Stay in touch to stay informed

We recommend all intending applicants contact the Ministry to receive current information about forthcoming rounds.

***You can also join our announcements database by emailing us at:
RCHF@mch.govt.nz***

THE FUND'S PRINCIPLES AND CRITERIA

Key criteria

1 Fund Purpose:

The Regional Culture and Heritage Fund (RCHF) is a contestable fund of last resort established with the expectation that the applicant will have fully explored other funding sources before central Government can consider a grant. The RCHF is for renovating, restoring, adding to, and constructing buildings in which cultural and/or heritage activities take place.

2 Intended use of buildings

The intended use of the building and the associated cultural outcomes will be the key determining factors as to whether an application is considered eligible. The primary function of a building which is eligible for a RCHF grant will be to:

- provide a performing arts venue for performing arts; and/or
- provide an arts, culture and heritage exhibition venue (e.g. art galleries, whare taonga); and/or
- house collections of demonstrated importance to the region or community (e.g. museums, heritage buildings or buildings at heritage sites where collections will be housed and exhibited).

Therefore, applications must relate to arts, culture and heritage facility projects focussed on renovating, restoring, adding to, and constructing buildings in which arts, culture and heritage activities take place. Examples of facilities that can qualify for funding under the RCHF are:

- high quality and/or professional performing arts venues
- museums
- art galleries
- buildings which will house collections of demonstrated importance to a region (e.g. regional collection storage facilities; heritage buildings or buildings at heritage sites where collections are or will be housed and exhibited, and whare taonga).

3 Regional Infrastructure

Government acknowledges that from time to time a project will arise that warrant special consideration. For example, projects in more remote areas may receive consideration because of their particular circumstances. All

applicants should clearly articulate the impact their project will provide for their wider community.

4 Collections

All applicants citing the importance of their collections as part of their application for funding consideration, are required to provide an assessment report outlining their institutions holdings. The findings of this report must be independently verified by relevant experts (professional and/or cultural) from outside the applicant's own organisation.

While collections must be of demonstrable importance to the community and region, they do not need to meet a threshold requirement of national significance.

5 Fit for purpose

Applicants will need to demonstrate that their building project will be fit for purpose for its intended community and uses. Applicants will need to demonstrate that they have consulted with and followed the advice of relevant experts for their project type; e.g. consultants in fields such as conservation architecture, the museum and art gallery sectors, theatres and performing arts venues. Where relevant such experts may also include: Te Papa National Services Te Paerangi, Heritage New Zealand, and Creative New Zealand.

6 Ownership, Governance and Stakeholders

Grants can only be made to legal entities (e.g. incorporated societies, charitable trusts and companies with charitable status). If the organisation making the application is not the land/or building owner, they must provide a letter from the legal owner(s) stating that they support the project and that the general public will have ongoing access to the building as described in the building application.

The institution must demonstrate that any funds allocated will be for public benefit, not private gain, and that the ownership and governance arrangements of the institution ensure this. The institution must demonstrate that it has effective relationships with key stakeholders in its community including Iwi/Māori.

7 Project and Organisational Viability

This RCHF requires grant recipients to demonstrate the economic viability and long-term sustainability of the facilities to which the grant is to be applied, so as to ensure government funding is going to an institution whose operations are sustainable and viable in the long term. Assessment of the operational performance of the applicant and their project will include evaluation of financial performance and position. The institution must supply other standard corporate documents relevant to its project and community relationships such as a Project Feasibility Plan, Long-Term Council

Community Plan and Annual Plans, Strategic Plan, Business Plan(s), and a collection management policy (if a collecting institution), where applicable.

Evidence will be required to show that any new operating costs arising from the proposed capital project can be adequately defrayed by the applicant and/or its core funder. Financial projections, based on reasonable assumptions and verifiable as far as possible, should be provided for an operating period of between three to five years following completion of the project.

8 Funding Sources

The RCHF is a fund of last resort. It operates under the partnership funding model with the expectation that the RCHF component will generally be no more than one-third of the funding required.

The possibility of full funding from other sources, including Local Authority and Iwi contributions, corporate sponsorship, public (community) fundraising and Lottery Grants Board allocations, must have been fully investigated before a formal submission is made to Government about the RCHF.

The Government will not approve the release of funding from the RCHF unless an applicant is able to demonstrate that the project will be able to proceed without undue delay.

To provide confidence a project can be completed without undue delay, the fundraising plan(s) submitted must be able to demonstrate that the construction project is achievable and affordable without the applicant returning to the RCHF to secure additional funds other than the grant now being sought.

An institution may wish to register an *expression of interest* in the RCHF before all its fundraising targets have been secured to alert Government to its interest in making a future application. This is preferable to submitting a formal Full Application which is not able to meet the criteria adequately and will have to be declined.

9 Heritage Building

If the development involves a heritage building, the heritage significance of the existing structure and the project's likely effect on the existing building and/or surrounding registered heritage site will be noted. Officials will consult with relevant experts in such cases. Applicants should ensure they can demonstrate, through formal written letters of support from relevant experts and specialists, that they have consulted with them on proposals to redevelop heritage buildings.

10 Urban Design Protocol

Projects must be able to demonstrate how the proposed construction aligns with the principles of good urban design as set out in the Ministry for the Environment's New Zealand Urban Design Protocol. The Protocol was

published in March 2005 and can be obtained from the Ministry for the Environment: www.mfe.govt.nz.

11 Resource Consent(s)

In order to give the Government confidence that a project will be able to proceed without undue delay, applicants must be able to demonstrate that the project has secured unencumbered resource consents, or is likely to, by the time that the Government has completed its funding assessment of all the applications in a given round.

12 Retrospective Consideration

The Government will generally not consider requests for projects that have been completed.

13 Nature of Funding Commitment

Any grant awarded may be allocated in instalments over two or more years. The Government will only commit up to the amount available in each year.

14 Form of the Grant

A grant will generally take the form of the payment of a capital sum. In some exceptional circumstances the Government may consider a grant that contributes to the repayment of the principal sum of a loan taken by the institution to fund the project.

15 Level of Government Funding

The proportion of the cost funded by Government will be determined on a case-by-case basis.

16 Conditions

Government may place whatever reporting and accountability conditions it determines are appropriate for a grant. The grant expenditure shall be monitored by the Ministry for Culture and Heritage (the Ministry). The Ministry will report on the expenditure in its Annual Report to Parliament.

17 Timetable

Call dates vary. Subject to the Minister for Arts, Culture and Heritage's (the Minister's) agreement, the Ministry will call for submissions once a year. The Ministry will provide intending applicants with an indication of likely timing for a forthcoming round. Calls for applications will be announced on the Ministry's website.

18 Other information

The Ministry may, at its discretion, request further information as it sees fit, including information relating to proposed costs, performance indicators, professional assessments and other matters.

19 Disclosure and Publication of Information

In advising of a possible application for funding, or submitting any application for funding to the RCHF, you and/or the organisation you represent, acknowledge and agree that the Ministry may:

- disclose to or obtain from any other government department or agency, private person or organisation, any information about you and/or the organisation you represent and the project; and
- publish any information relating to you and/or the organisation you represent and the project;

where the Ministry considers it necessary for the purpose of administering the RCHF.

For example, such information may include:

- your name and/or the name of the organisation you represent;
- the purpose of the project;
- the cost of the project;
- the amount of funding that may be sought under the RCHF;
- the timeframe in which you and/or the organisation are likely to formally apply to the RCHF; and
- the Minister's subsequent decision on that application.

When advising of or submitting your application, please notify the Ministry of any objection to the disclosure or publication of any information contained therein, identifying any parts considered confidential and which should be withheld, together with the reasons for withholding them. While taking into account all such objections, the Ministry will exercise its own discretion in this matter, particularly when responding to requests for information on requests under the Official Information Act 1982.

For enquiries about the Regional Culture and Heritage Fund contact:

Regional Culture and Heritage Fund (RCHF)

Heritage Operations

Ministry for Culture and Heritage Te Manatū Taonga

Level 1, Public Trust Building, 131-135 Lambton Quay

PO Box 5364 Wellington 6145

Telephone (04) 496-6175 or (04) 499-4229

RCHF@mch.govt.nz

<http://www.mch.govt.nz>.

Regional Culture and Heritage Fund

Information Guide and Checklist

Applications to the Regional Culture and Heritage Fund (RCHF) will be considered each year on a contestable basis against other applications, and within the annual funding available.

It is not advisable for projects to be developed with an expectation or assumption that Government funding will be available. Given the limited funds available for distribution in each round, projects must be able to demonstrate that they meet the RCHF criteria in order to receive consideration.

Excluded projects and activities:

The RCHF is intended for long-life capital projects involving qualifying facilities. Projects outside the scope of the RCHF include:

- educational facilities in schools and universities; standalone libraries, archives and science centres; churches (where the primary purpose is religious); and community cultural centres which are predominantly used and designed for social activities.

In addition, all maintenance costs are considered the responsibility of the building owner and operational costs and activities such as performances and exhibitions will not be funded.

Application method - a detailed funding proposal:

There is no formal application form for applying for funding through the RCHF.

Applicants must submit written submissions to Manatū Taonga Ministry for Culture and Heritage (the Ministry). These must be accompanied by a covering letter and a completed, signed *Applicant Declaration Sheet* – available from the Ministry's website.

To be considered, an applicant must demonstrate an ability to meet the criteria set out in the Policy document "Regional Culture and Heritage Fund for Capital Projects: Policy, Criteria and Applicant Checklist".

A checklist of the sorts of evidence which should be included in funding proposals is at the end of this document. This checklist provides a guide to the required components of every application. It is helpful if applicants address each of the criteria

Prior to writing your application to the RCHF:

Remember there are two types of application possible (Expression of Interest or Full Application) so you will need to confirm which type of application is right for your current circumstances.

Before preparing a submission, please:

- Consult with Ministry officials to discuss your project
- read and carefully consider the document called “Policy, Criteria and Applicant Checklist for the Regional Culture and Heritage Fund for Capital Projects” and its accompanying FAQ sheet; and
- ensure you hold all the necessary evidence to address the criteria in your application.

In addition to a building’s purpose and use, and the collections and exhibitions or performances that may be held within it, all applicants will need to consider how well advanced their project is in terms of design and planning, community support, the resource consenting process and achievement of fundraising targets. Institutions should ensure that the projected costs of the project are as accurate as possible. There can be no expectation of further funding from the RCHF to accommodate unforeseen or additional costs.

A stepped approach is applied to processing applications received:

After submitted applications have been receipted, initial analysis occurs to assess the applications against the key criteria listed above. If a project or institution does not appear to satisfy the key purpose and criteria of the RCHF, those applicants will be promptly notified. The Minister will make the final determination of how the RCHF allocation will be granted each year. The timing of funding decisions announcements is decided by the Minister.

Regional Culture and Heritage Fund Application Checklist

What information must be included in this application?

We recommend that applications should be structured as follows:

- Applicant Declaration Sheet
- Letter of application
- Funding proposal – which outlines the project and addresses how it meets each of the RCHF's criteria
- Indexed supporting evidence.

In order to demonstrate that an institution meets the RCHF criteria an application should specifically include the following information:

Applicant declaration sheet:

- To assist us to process incoming applications efficiently, each applicant must complete the RCHF high-level applicant declaration sheet and attach it to the front of their application covering letter and actual application.

Applicant details:

- Name and address of legal entity applying for funding e.g. Trust Board, Local Authority, Post-Settlement Entity
- Name and address of the organisation applying
- Contact name for this application, their position in the organisation, and their full contact details (including email, phone and cell phone number)
- New Zealand Incorporated Society Number
- New Zealand Charities Registration Number
- Other New Zealand Companies Registration Number
- The physical location of the Museum/Gallery/Performing Arts Venue/Whare Taonga/ Heritage Property to be constructed or altered.
- A copy of land/property ownership record for that site
- Where applicant is not land/property owner, a letter of project approval

Project details:

- A brief and clear description of the project including any adaptation of an historic or heritage building
- Total cost of project
- Whether GST registered
- Project timeline including dates for construction and project completion
- Accurate project costs based on developed designs
- Project risks identified and assessed, and plans to mitigate these
- Total funding raised to date separated into pledged (unsecured funds) and committed/confirmed (secured) funds
- A detailed fundraising plan for securing any other funds yet to be raised
- Amount requested from the RCHF as a GST exclusive figure (this is not the shortfall between total project cost and fundraising achieved to date)

Meeting the key principles and criteria for the Fund:

- Demonstrate that your organisation and project meet the purposes of the fund.
- Explain and demonstrate how your project is: renovating, restoring, adding to, and constructing buildings in which cultural and/or heritage activities take place through grants for infrastructural work and permanent fittings
- Explain and demonstrate how the intended use of the building and the associated cultural outcomes are regionally important. These are key determining factors as to whether an application is considered. The primary function of a building which is potentially eligible for a RCHF grant will be to:
 - provide a performing arts venue; and/or
 - provide an arts, culture and heritage exhibition venue (e.g. art galleries, whare taonga); and/or
 - house collections of demonstrated importance to the region or community (e.g. museums, heritage buildings or buildings at heritage sites where collections will be housed and exhibited).
- If the application is for a building project which will house collections, a 'Statement of Collection Significance' describing the collections; and a description of how the institution arrived at this statement. This statement must be supported by external expert opinions.

Meeting other criteria:

An application should also be able to demonstrate all of the following:

- the institution meets the RCHF's definitions and purpose
- ownership and governance arrangements of the resulting facility ensure that funds allocated are for public benefit, not private gain;
- relationships with key stakeholders in the community are effective;
- feasibility studies, business plans and operating projections, based on reasonable assumptions for at least three to five years following the project's completion, demonstrate the institution's long-term operational viability.
- financial negotiations with local authorities have been completed (where applicable) and funding is formally committed in the Annual Plans and Long Term Council Community Plans;
- all possible funding from other sources has been fully investigated and exhausted, including local authority contributions, corporate sponsorship, public fundraising, private donations or bequests and Lottery Grants Board allocations;

Meeting capital construction project criteria:

- unencumbered resource consent(s) have been secured or the applicant can demonstrate a high likelihood that these will be secured without difficulty by the time that assessment has been completed;
- Relevant agencies have approved the redevelopment proposals which involve heritage buildings;
- Demonstrate that appropriate consultation with sector experts for your type of facility has occurred. Reports and letters demonstrating that appropriate expert advice has been sought and applied to project choices to ensure that they will meet both longevity and legal requirements for that type of facility.
- the project aligns with the principles of good urban design as set out in the Ministry for the Environment's New Zealand Urban Design Protocol;
- building plans, specifications and quantity surveying estimates for the project are completed to a high standard by appropriately qualified persons (as per the expectations set when applying to Lottery's major capital grants fund such as Lottery Significant Projects Fund); and

Format:

- All financial figures should be shown as GST exclusive consistently throughout the application. In instances where this is not possible those figures should be clearly marked.
- Applicants should submit their applications in two formats:
 - One digital copy set of their full application should be supplied on either a memory stick or DVD. Electronic documents should be indexed in the same manner as the paper-based copy set of their application.
 - One paper copy set of the full application should be provided for reading and mark-up purposes.
- With the exception of A3 building drawings and any supporting multimedia material that may be supplied, all application documents should be submitted in an A4 format. Please do not spiral-bind A4 application documents. Instead, please submit all application documents, clearly indexed, in a two-holed A4 Ring-binder.
- The completed Applicant Declaration Sheet should be the first page in the ring-binder, followed by the covering letter of application. The full application sits in the folder(s) behind these two documents.
- It is preferable that all submitted building drawings are received in a format no larger than an A3 in the first instance. When submitting large numbers of A3 building drawings it is acceptable to spiral-bind these into one booklet.
- It is the responsibility of the information submitter to clearly identify any documents that they consider to be commercially sensitive and/or confidential prior to their submission to the Ministry.

Where to send the application:

Please note that the Ministry for Culture and Heritage moved premises in October 2015.

Sending applications by post:

Regional Culture and Heritage Fund (RCHF)

Heritage Operations

Ministry for Culture and Heritage Te Manatū Taonga

PO Box 5364

WELLINGTON 6145

Telephone (04) 496-6175 or (04) 499-4229

Email RCHF@mch.govt.nz

Sending applications by courier:

Our physical address is:

Regional Culture and Heritage Fund (RCHF)

Heritage Operations

Ministry for Culture and Heritage Te Manatū Taonga

Level 1

Public Trust Building

131 -135 Lambton Quay

WELLINGTON 6145

Telephone (04) 496-6175 or (04) 499-4229

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