

# HERITAGE INCENTIVE GRANTS POLICY – OPERATIONAL GUIDELINES (2019)

## Introduction

These Heritage Incentive Grant (HIG) Operational Guidelines are to be used in the interpretation and application of the Heritage Incentive Grants Policy.

## 1 Scope of Grant Consideration

The primary purpose of the grant scheme is to assist owners of heritage buildings and significant moveable heritage to achieve positive heritage outcomes when they are undertaking maintenance, conservation, repairs and code compliance works to these buildings and objects. Positive heritage outcomes will be achieved through the appropriate and timely practice of conservation and maintenance of heritage fabric, the retention of the overall form and appearance of the heritage item and the protection of its heritage values. The scope of works addressed for the consideration of a grant shall include, but not be restricted to, the following:

- Appropriate structural and seismic engineering works, including earthquake repair work;
- Selected NZ Building Code compliance upgrades including improving accessibility to public buildings;
- Temporary stabilisation and securing of parts of buildings where it relates to a longer term programme for retention;
- Appropriate maintenance;
- Fire protection;
- External security of the building;
- Appropriate exterior painting and weatherproofing;
- Essential services including but not limited to electrical, drainage, and plumbing works where there has been or there is likely to be a risk of damage to heritage fabric through failure of these services due to age or accelerated deterioration;
- Professional fees for NZ Institute of Architects registered architects, certified heritage professionals (as defined in the Christchurch District Plan), chartered professional structural engineers and NZ Institute of Quantity Surveyors registered quantity surveyors where the work relates to the above scope;
- Refunds of non-notified Resource Consent fees charged by Council relating to the works.

## 2 Criteria for Assessing Heritage Incentive Grant Applications

The following criteria will be used to assess grant applications and determine the amount of the grant:

- The heritage values of the building, place or object in the post 2010/11 earthquake environment of Christchurch and Banks Peninsula;
- The contribution the proposed work will make to the retention of the building, place or object;
- The contribution that the proposed work will make to the wider heritage values of the area;
- The degree to which the proposed works are consistent with the conservation principles and practice of the ICOMOS (NZ) Charter and other relevant international ICOMOS Charters;
- The urgency of the work required relating to the risk of damage if the work is not done in a timely manner;
- The availability of grant funds;
- The amount of any previous Council grants for the property; noting that in general only one Grant will be made for work on a property unless the circumstances demand otherwise in terms of Paragraph 3 of the Terms and Conditions Associated with Grants
- The amount of insurance funds and Earthquake Commission funding for the building following an event which triggers such funding including but not limited to earthquakes and flooding damage.
- The contribution the building or item could make to Heritage Week activities.
- In the case of moveable heritage, the heritage values of the object, the extent to which it is accessible to the public and the contribution it makes to wider community heritage and wellbeing outcomes.

## 3 Determining the Heritage Incentive Grant Amount

Each grant shall equate to a percentage of the value of the work required as detailed in the Grant Application. When determining the amount of a proposed grant consideration will be given to the criteria in Paragraph 2 above which includes the heritage significance of the place. The increased significance of heritage buildings, places and objects in the city and on Banks Peninsula following the earthquakes of 2010 and 2011 is recognised. A grant approval of 0-50% of the total value of the agreed

scope of works scheduled in the Christchurch District Plan will be considered. This reflects and recognises the significant loss of heritage following the earthquakes, and the increased heritage value and significance to the people of Christchurch of the listed items which remain.

#### **4 Approval of Grants**

The Social Community Development, and Housing (or relevant) Committee ('the Committee') of the Council has delegated authority to approve individual Heritage Incentive Grants to owners of heritage buildings, places or objects scheduled in the Christchurch District Plan, and to owners of significant moveable heritage. Applications will be considered on a quarterly basis, generally in October, January, April and June.

Where the proposed scope of works includes a requirement for Resource Consent and/or consent under a Conservation Covenant then grant payment will not be made until such consents have been applied for and granted.

A report is provided to Council twice a year listing Heritage Incentive Grants which have been approved by the Committee pursuant to its delegated power within the preceding six months.

#### **5 Payment of Grants**

Grants subject to a requirement for a conservation covenant will not be paid until the covenant has been registered against the property Certificate of Title or the Personal Property Securities Register (as appropriate).

(i) Full payment:

- Grants are not paid in full until the work to which the grant relates is completed and certified by a Council approved inspection, and a covenant (where required) is registered against the property Certificate of Title or on the Personal Properties Security Register (as appropriate);
- However, where the grant is made to a Trust or other not for profit organisation, full payment may be made prior to completion of the work where the work could not be done without this payment and where the covenant specifies the time period for completion of the work;
- Grant money is available for a period of 18 months from the date of written approval of the grant. This period will only be extended with the written consent of the Committee.

(ii) Interim payment:

- Where the grant is to be paid in installments or over a period of several years (and where the covenant specifies the time period for completion of the work and where the agreed work meets partial completion milestones and has been certified), payment may be made on a pro-rata basis according to the extent of the agreed scope of heritage works having been completed and certified.

## Terms and Conditions Associated with Grants

### 1 Eligibility for Grants

Any person who is the owner of a scheduled heritage building, place or object within the administrative area of the Christchurch City Council may apply for a Heritage Incentive Grant.

Owners of significant moveable heritage within the administrative area of the Christchurch City Council may apply for a Heritage Incentive Grant and each application will be considered on a case by case basis.

Owners of heritage buildings, places or objects who apply for Heritage Incentive Grants are not precluded from applying for other forms of grant funding.

Owners of heritage buildings, places or objects who apply for grants from the Christchurch Community Trust, the Lotteries Commission, Heritage New Zealand Pouhere Taonga or other heritage funding sources are not precluded from applying for Council Heritage Incentive Grant funding.

In addition to the requirement for grants to be applied only to scheduled heritage items, the following exclusions will also apply:

- Buildings owned by the Crown with their own capital programs are not eligible for Heritage Incentive Grants, except where there are special circumstances including urgency and risk mitigation;
- Grant assistance is not applicable to Council owned buildings, places or objects, as these specific buildings have their own maintenance programs;
- Grant assistance is not applicable to the contents of buildings, or chattels which do not form part of the fabric of the building or place, unless these items were an integral design element of the original place;
- Grant assistance is not applicable to the interior fabric of buildings unless the works relate to conservation of specific heritage features;
- Grant assistance is not applicable to those sections or areas of a heritage item which do not contribute to the heritage value of the place;
- Grant assistance is not applicable to repairs and other works which are wholly covered by building insurance or EQC payments;
- Grant assistance is not applicable to demolition of all or part of heritage items;
- Grant assistance is not applicable to new extensions, or additions to heritage items;
- Grant assistance is not applicable to new buildings or works within a heritage setting;
- Grant assistance is not applicable to landscape elements, features or additional buildings within a heritage setting identified in the Christchurch District Plan;
- Grant assistance is not applicable to relocation of heritage items to other sites either within the Christchurch territorial area, or relocation to sites outside this area. Consideration will be given to grant assistance for relocation of heritage items within their existing setting, and to relocated heritage items only if they are moved to new sites of compatible heritage value.
- Grant assistance is not applicable for the investigation of archaeological sites, even where scheduled in the Christchurch District Plan, the Archaeological Association records or the Heritage New Zealand Pouhere Taonga List.
- Grant assistance will not be provided to meet financial, legal or administrative costs incurred by the grantee which are associated with the grant, a conservation covenant or the conservation or maintenance works subject to the grant, which will be met by the grant recipient;
- Grant assistance is not applicable to work carried out by the owner of the property, unless the owner is an approved tradesperson with trade qualifications relevant to the works provided a quotation for an agreed scope of works is approved prior to the works being undertaken.

### 2 Bridging Finance for Grant Approvals

In the event of an individual grant being provided that covers future or multiple years, the Council will **not** provide bridging finance to the applicant(s), nor will interest payments on bridging finance be included in the grant approval as owners are expected to appropriately manage the funds as they have been allocated in the grant approval.

### **3 Multiple Grants**

The Council discourages multiple small individual grants. Once a grant has been approved, in general a minimum of five cumulative years must elapse prior to a further grant application being made. Where the total approval amount for multiple grants exceeds the threshold level requiring the entering into a covenant, a covenant may be required.

In certain circumstances, such as:

- an increase in the assessed level of risk, including possible loss;
- essential unforeseen maintenance or repairs identified as a consequence of other works being carried out on the building or object;
- essential works necessitated by events such as fire, earthquakes or natural events; additional grants may be approved within the five year period.

### **4 Changes to the Agreed Scope of works**

The scope of work to which the grant relates is to be agreed prior to grant approval. However, if the work done does not comply with the scope of work, or the resource consent or conservation principles as outlined in the ICOMOS (NZ) Charter, the Council reserves the right to reduce the amount of the grant paid or to withdraw the grant entirely.

In some instances a Heritage Incentive Grant application for urgent work may be submitted on time but the processing of the application and hence of the grant approval may be delayed. If the scope of work has been agreed, the applicant may choose to continue with the work. However the grant will only be paid if and when it is approved by the Committee. Accordingly, as there is no guarantee that the grant will be approved the owner in commencing work before the grant is approved takes a risk as to the outcome of the approval process.

### **5 Retrospective Grant Approvals**

Where works have been undertaken without consultation with Council with regard to a grant application and where there has been no prior written agreement as to the scope of works applicable to the project for consideration of a grant, then no grant application will be accepted for the work other than at the specific discretion of the Committee or the Council having regard to any special circumstances which may apply.

### **6 Extent of Work Underestimated**

In some instances once the grant has been approved and work has begun, the full extent of the conservation, maintenance or Building Code compliance work is greater than anticipated. In such cases a further scope of work should be agreed and a revised grant application submitted for consideration.

### **7 Potential Conflicts of Interest**

Where grant applications are made by members of Council staff, then this interest shall be stated in the grant application for consideration by the Committee or the Council. Where Council staff who would otherwise be involved in the assessment and grant approval process have a personal or family interest in the receipt of a grant, then that member of staff shall take no part in the grant assessment and approval process and shall declare the nature of their interest to the Committee.

### **8 Conservation Covenants**

Grants of \$150,000 or more will be subject to a compulsory requirement for a Full Conservation Covenant (refer to the Glossary).

Grants of \$15,000 to \$149,999 will be subject to a requirement for a Limited Conservation Covenant (refer to the Glossary). These figures have been adjusted in 2012 to reflect construction cost inflation and to encourage small scale grant applications where relatively minor works will secure the repair, maintenance and ultimately the retention of the building, place or object.

The Committee may exercise their discretion in relation to the Heritage Covenant conditions for specific grant applications.

Where the grant relates to works to any part of a property which are to fall within the legal boundaries of a unit or units to be under the Unit Titles Act 1972 (or its successors), if the property is subject to a Full or a Limited Conservation Covenant, then the covenant must be agreed and registered before the individual unit titles are created.

Where the grant relates to works to any part of a property which falls within the legal boundaries of a unit or units created under the Unit Titles Act 1972 (or its successors), if the property is subject to a 'Full' or a 'Limited Conservation Covenant', then all the unit title owners affected must agree to the registration of the covenant over their individual unit titles before grant payment will be made. In the event of all affected unit title owners not agreeing to a conservation covenant then the grant may be reduced on a pro-rata basis calculated using the unit entitlements of each affected unit.

Grants made to moveable heritage will be subject to a compulsory conservation covenant which will be registered on the Personal Property Securities Register.

## **Glossary - Heritage Definitions**

### **Additions and extensions:**

Means in relation to a scheduled heritage place the construction of new fabric that increases the external volume of a scheduled heritage place and which has the effect of altering the heritage form, fabric or heritage values of the place.

### **Alterations**

Means in relation to a scheduled heritage place the modification or replacement of the internal or external fabric of a scheduled heritage place which has the effect of altering the heritage forms, fabric, and heritage values of the place. (see also 'maintenance').

### **Conservation**

Means the processes of caring for a place so as to safeguard its cultural heritage value.

### **Demolition**

Means in relation to a scheduled heritage place the destruction in whole or in part of a scheduled heritage place which results in the complete or significant loss of the heritage forms, fabric and heritage values of the place.

### **Full Conservation Covenant**

Means a covenant under Section 77 of the Reserves Act 1977 or other appropriate legal instrument approved as a Full Conservation Covenant by the Committee which requires the owner to obtain a consent in order to carry out any proposed activity on the protected heritage place.

### **Heritage Place**

Means any buildings, items, objects, and sites of significant heritage value that are scheduled in the Christchurch District Plan Schedule of Historic Heritage or in the Heritage New Zealand Pouhere Taonga List.

### **Heritage Fabric**

Means any physical element, feature, material or finish which is part of the heritage value in whole or in part of a building, place or object and includes any original heritage fabric. Subsequent changes to such physical elements, features, materials or finishes which contribute to the record of the historic development of the heritage place are also considered to be part of the heritage fabric. This also includes the aggregate effect of material weathering and wear due to use over time.

### **Heritage Values**

Means those tangible and intangible values of a heritage place which relate to or are derived from its historical, social, cultural, spiritual, aesthetic, architectural, technological, craftsmanship, environmental, archaeological or contextual significance or its significance in terms of its location as a landmark or as part of a group.

### **Limited Conservation Covenant**

Means a covenant under Section 77 of the Reserves Act 1977 or other appropriate legal instrument approved by the Committee which prevents the owner from demolishing or partly demolishing, or applying to demolish or partly demolish, the scheduled heritage place within a specified period of time.

### **Maintenance**

Means the protective care of a place and significant features of a heritage setting.

### **Moveable Heritage**

For the purpose of this policy consists of structures which are not buildings and which are not permanently fixed to land. Moveable heritage consists of road, air or water vehicular transport related structures, including but not limited to boats, trams, buses, trains, planes and machinery from industry such as tractors and ploughs. These may be individual items and may be part of museum collections. For the purposes of this policy moveable Heritage excludes archaeology and archive materials and artefacts.

### **Original Heritage Fabric**

Means any physical element, feature, material or finish which was an integral part of the original heritage item.

**Relocation**

Means the removal and re-siting of any building from any site to a new site and in relation to a scheduled heritage place also includes removal and re-siting within the same site.

**Risk Mitigation**

Means action taken to minimise an identified significant risk to a heritage building, place or object. Where appropriate a Risk Mitigation and /or Temporary Protection plan should be prepared.

**Setting**

Means in relation to a scheduled heritage place, a defined area around a scheduled heritage place which itself is not specifically scheduled but which is an area identified to protect the context of a heritage place from effects that could detract from or reduce the heritage values of that scheduled heritage place, including view shafts of that heritage place from a public place or from within the setting. They include the contents of that area such as trees, gardens, buildings and structures that form the context for the heritage place.

**Significant Moveable Heritage**

Significant Moveable Heritage consists of Moveable Heritage which meets at least one of the following heritage assessment criteria: historical and social, cultural and spiritual, architectural and aesthetic, technological and craftsmanship, contextual, archaeological and scientific;

*and* is of significance to the Christchurch District (and may also be of significance nationally or internationally), because it conveys aspects of the Christchurch District's cultural and historical themes and activities, and thereby contributes to the Christchurch District's sense of place and identity;

*and* has a moderate degree of authenticity (based on physical and documentary evidence) and integrity (based on how whole or intact it is) to clearly demonstrate that it is of significance to the Christchurch District.

**Urgent**

Means, in the context of a heritage place, that the property is liable to damage or may be lost if the work is not done.