



CUMBERLAND  
COUNCIL

# Community Grants and Donations Policy

## AUTHORISATION & VERSION CONTROL

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|----------------------|---------------------------------------|
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| <b>Policy Owner</b>  | <i>Director Community Development</i> |
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## PURPOSE

This Policy outlines the framework under which all grants and donations made by Council to the community will be governed. It ensures Council meets legislative requirements prescribed in Section 356 of the *Local Government Act* as the decision making authority for approval of the granting of funds. It also seeks to ensure all grants and donations deliver social, economic, cultural, recreational and environmental benefits to local communities.

## SCOPE

This Policy applies to all grant-making activity and donations provided by Cumberland Council as per Section 356 of the *Local Government Act* and independent of the regular procurement of goods, works and services.

This Policy applies to all aspects of grant and donation programs, including their design, application processes, decision making, agreement making, monitoring and support services. It also covers requests and granting of fee waivers for the use and hire of Council facilities and open spaces, which are considered as a monetary contribution made by Council within the context of this Policy. It includes the Community Grants Program, Mayoral Community Fund and Emergency Relief Fund.

It excludes:

- Incoming and outgoing funds for corporate sponsorship, which will be governed by the *Corporate Sponsorship Policy*;
- Subsidies for use of community facilities which are reflected in Council's Fees and Charges,
- Financial assistance programs classified as rebate schemes, which provide retrospective funding; and
- Other fee for service arrangements with not for profit organisations.

All Councillors, Council employees, contractors and consultants are responsible for implementing this Policy.

## DEFINITIONS

- **GRANT:** A grant is a sum of money given to an organisation or individual for a specified purpose directed at achieving the goals and objectives of the funding agency in terms of a benefit for the population targeted. A grants program awards funds on a competitive basis using clear and accountable policies and procedures and the effectiveness of grants is measured through monitoring and evaluation processes.
- **AUSPICE:** To 'auspice' means to provide support or guidance. The group or individual requiring support is known as the 'auspicee' and the incorporated organisation that auspices the group or individual is known as the 'auspicator'. When using an auspice arrangement, the relationship is often described as one where the auspicee will be carrying out the project 'under the auspices of' the incorporated organisation – the auspicator. The auspicator receives funding or enters into relevant agreements for the auspicee.
- **DONATIONS:** A donation is a gift made to an individual, group or organisation for a cause considered to be worthy. There is no expectation that the recipient will provide anything to the donor in exchange for a gift or as a condition of receiving the gift.
- **FEE WAIVER:** A fee waiver is the full or partial removal of fees associated with the hire and use of Council facilities including community facilities, parks and sports grounds that are to be used for a community event or activity.

- **FINANCIAL ASSISTANCE:** Payment given to an individual or organisation which are not commensurate with a reciprocal benefit received by Council. Financial assistance includes both grants and donations.

## POLICY STATEMENT

In administering grant and donation programs, Council is to ensure that it complies with *Section 356 of the Local Government Act 1993* which makes provisions for Council to grant financial assistance to others for the purpose of exercising its functions.

## PRINCIPLES

The purpose of this Policy is to ensure the administration of Cumberland Council's financial assistance programs are guided by the following principles:

- **Robust planning and design** which underpins efficient, effective, economical and ethical administration of financial assistance programs including the establishment of effective risk management processes.
- **Probity and transparency** in decision making which reflects ethical behaviour, in line with Council's Code of Conduct, and complies with public reporting requirements.
- **Governance and accountability** in which a robust governance framework is established that clearly defines the roles and responsibilities of all relevant stakeholders; establishes the policies, procedures and guidelines and administration processes that comply with all relevant legal and policy requirements; and supports public accountability for decision-making, financial assistance and performance monitoring.
- **Access and equity** in administration of financial assistance programs to support the diverse needs, interests and aspirations of the community.
- **Collaboration and partnership** in which effective consultation and a constructive and cooperative relationship between Cumberland Council, financial assistance recipients and other relevant stakeholders contribute to achieving more efficient, effective and equitable financial assistance administration.
- **Capacity building** which focuses on further developing existing skills, knowledge and access to opportunities for residents and organisations.
- **Outcomes focussed** in which grants administration focuses on maximising the achievement of strategic directions and lasting outcomes rather than outputs.
- **Achieving value with public money** which involves the careful consideration of costs, benefits, options and risks.
- **Proportionality** in which key program design features and related administrative processes are commensurate with the scale, nature, complexity and risks involved in the granting activity.
- **Commitment to continual improvement** with regular review and evaluation of grant making processes to ensure legislative requirements are met, program objectives reflect Council's strategic directions and best practice innovations are utilised.

## REQUIREMENTS

1. Cumberland Council's financial assistance programs must align with outcomes identified in Council's Community Strategic Plan, Delivery Program and Operational Plan and specific community priorities outlined in the guidelines for Community Grants Program and donation fund programs.

2. Detailed guidelines for all streams of all financial assistance programs will be publicly available. The guidelines will outline the funding priorities, eligibility and assessment criteria, and administration practices, including application processes, decision making, agreement making and monitoring and support services.
3. Changes to the funding streams and funding pool for all financial assistance programs must be approved by Council.
4. Council will actively promote grant rounds and invite applications for all financial assistance programs via an open call.
5. Applications will only be accepted during the advertised round dates for each financial assistance program.
6. A set criteria for assessment will be published for each financial assistance program. Only the published criteria will be used to assess applications.
7. Council will not provide funding to an activity that can be readily assisted by any other existing Government funding program, or that is the core business of other Government departments.
8. Council will not fund activities that duplicate other existing services or programs within the local area unless evidence of demand is provided.
9. Assessment of applications will be undertaken by a panel of Council staff with subject matter expertise. Where appropriate, the assessment panel may seek the advice of external agencies to ensure projects funded meet proposed outcome areas and community priorities.
10. Recommendations of the assessment panel will be recorded with reference to the assessment criteria.
11. Recommendations for funding allocations through the Community Grants Program and Emergency Relief Fund will be reported to a Council meeting for determination. Any variances to recommendations proposed by Councillors will be recorded in the minutes of the Council meeting and reflected in the final resolution of Council. Determination for funding allocation for Mayoral Community Fund is at the discretion of the Mayor of Cumberland Council.
12. Allocations of all financial assistance will be included in Council's annual report.
13. Applications will be ineligible for funding if the applicant undertakes canvassing or lobbying of Councillors or employees of Cumberland Council in relation to their application during the application and assessment process.
14. Only eligible applicants will be awarded a grant or donation.
15. Only one grant per applicant, per stream will be funded per financial year. Only one donation will be funded per financial year per applicant. The only exception to this is where auspicing arrangements are in place. Auspicors will be able to auspice multiple applications but only one grant per auspicee, per stream will be funded annually.
16. All applicants will be notified of the outcome of their application within a timely manner.
17. Financial assistance recipients must enter into a funding agreement with Council and meet all requirements of project delivery, reporting and acquittal.
18. Council reserves the right to request return of funds should the financial assistance recipient not use the funds for the specified purpose.
19. All financial assistance recipients must report to Council the outcomes of their funded activity including expenditure of funds. Recipients must have met the reporting and acquittal requirements for previous grants or donations funded by Council in order to be eligible for financial assistance in subsequent years.
20. All requests for financial assistance from Council will be channelled through the Cumberland Council Community Grants Program and relevant funding stream or donation program.

21. All applicants must meet the requirements specified in the guidelines under each stream of the Cumberland Council Community Grants Program. Requests for donations need to meet the Guidelines and criteria of the relevant donation program.
22. All funded activities must comply with relevant legislation and Council approvals. This includes meeting legislative requirements that ensure financial assistance recipients are delivering projects in an accessible and equitable manner.

## **RELATED LEGISLATION**

- Section 356 of the *Local Government Act 1993*.
- Department of Local Government Circular - Ref. 06-32 - Provision of Financial Assistance under Section 356 of The Local Government Act - Developing a Financial Assistance Policy

## **RELATED DOCUMENTS AND COUNCIL POLICY**

- Cumberland Council Community Strategic Plan
- Cumberland Delivery Program and Operational Plan including Fees and Charges
- Cumberland Council Corporate Sponsorship Policy and Guidelines
- Cumberland Community Grants Program Guidelines
- Mayoral Community Fund Guidelines
- Draft Emergency Relief Fund Guidelines
- Australian National Audit Office, *Implementing Better Practice Grants Administration*, 2013