

## **5.7. GRANTS, DONATIONS AND SPONSORSHIP GENERAL POLICY JUNE 2019**

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### **RECOMMENDATION**

**That Council:**

- 1. adopts the revised Grants, Donations and Sponsorship General Policy;**
- 2. delegates authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible donation requests after consultation with the Mayor up to \$2,000 (GST not applicable);**
- 3. delegates authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible sponsorship requests after consultation with the Mayor up to \$2,000 (GST not applicable);**
- 4. delegates authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible grant requests after consultation with the Mayor up to \$2,000 (GST not applicable);**
- 5. delegates authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible fee waiver requests after consultation with the Mayor up to \$2,000 (GST not applicable);**
- 6. delegates authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible in-kind assistance requests after consultation with the Mayor up to \$2,000 (GST not applicable);**
- 7. delegates authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to administer Council's Grants, Donations, Fee Waivers, Sponsorship and In-kind Assistance.**

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### **EXECUTIVE SUMMARY**

Council's Community Support Program Policy, adopted in June 2015, is due for review. Recent revisions include renaming to Grants, Donations and Sponsorship Policy and expanding policy to include partnerships, sponsorship, donations and in-kind assistance.

The revised policy is presented in this report for adoption by Council for two years.

### **BACKGROUND**

Under Section 194 of the *Local Government Regulation 2012* (the Regulation) a local government may give a grant to a community organisation only -

- (a) if the local government is satisfied -

- (i) the grant will be used for a purpose that is in the public interest; and
  - (ii) the community organisation meets the criteria stated in the local government's community grants policy; and
- (b) in a way that is consistent with the local government's community grants policy.

Under Section 195 of the Regulation a local government must prepare and adopt a policy about local government grants to community organisations (a *community grants policy*), which includes the criteria for a community organisation to be eligible for a grant from the local government.

Under the Regulation a community organisation means an entity that carries on activities for a public purpose or another entity whose primary object is not directed at making a profit.

In June 2015 Douglas Shire Council adopted the Community Support Program Policy, required to be periodically reviewed. The revised policy is presented in this report for adoption by Council for a further two years.

## COMMENT

A review report was prepared by Queensland Rural and Industry Development Authority (QRIDA) in December 2018 for Douglas Shire Council under QRIDA's no-cost grants review service to Queensland Local Government Authorities.

Council's Community Support Program (CSP) was nominated for review under this service, being the oldest program in the suite of assistance, with recommendations and better practice tips from the CSP review relevant to the administration of Council's other funding streams: Industry Development Fund; Event Funding Program; and Regional Arts Development Fund.

The QRIDA report outlines recommendations around policy review, streamlining and simplifying applications, guidelines and acquittals and introducing delegations.

Previously the policy was confined to the Community Support Program and grants to not-for-profit organisations. Since the adoption of the original policy Council's suite of funding and eligible applicants has expanded.

The Industry Development Fund and Event Funding Program include commercial organisations as eligible applicants and under the Regional Arts Development Fund (RADF), a partnership between the State and local governments, individuals, not for profit and commercial entities may apply.

In response to recommendations the Community Support Program (Grants) policy has been amended to include:

- Expanded policy title
- Regional Arts Development Fund (RADF), donations, partnerships, sponsorship, fee waivers and in-kind assistance
- Commercial entities, groups and individuals
- Administration Instructions to supplement the policy
- Definitions of key terms

The draft policy is attached to this report.

At the 28 May 2019 Ordinary Meeting it was resolved that Council adopts the Schedule of Fees and Charges for the 2019/20 financial year; and delegates authority under Section 257 of the *Local Government Act 2009* to the Chief Executive Officer to negotiate fees and charges where circumstances warrant and to make minor administrative amendments to the Schedule.

Further delegations to the Chief Executive Officer are proposed in response to QRIDA's recommendations.

In response to other recommendations in the QRIDA Report, Administration Instructions will be created and guidelines and forms refined. Revisions to the grants program will be workshopped with Councillors prior to the next grant round opening.

## PROPOSAL

The proposal is for Council to:

1. adopt the revised Grants, Donations and Sponsorship General Policy;
2. delegate authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible donation requests after consultation with the Mayor up to \$2,000 (GST not applicable);
3. delegate authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible sponsorship requests after consultation with the Mayor up to \$2,000 (GST not applicable);
4. delegate authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible grant requests after consultation with the Mayor up to \$2,000 (GST not applicable);
5. delegate authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible fee waiver requests after consultation with the Mayor up to \$2,000 (GST not applicable);
6. delegate authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to approve eligible in-kind assistance requests after consultation with the Mayor up to \$2,000 (GST not applicable);
7. delegate authority under Section 257 (1)(b) of the *Local Government Act 2009* to the Chief Executive Officer to administer Council's Grants, Donations, Fee Waivers, Sponsorship and In-kind Assistance.

## FINANCIAL/RESOURCE IMPLICATIONS

Costs associated with Council disbursing grants and donations and providing partnership and in-kind support to eligible applicants are required to be budgeted for annually.

All applications for financial or non-financial (in-kind) support must:

- align with themes and goals in Council's Plans and Strategies;
- address identified community needs;
- benefit the community and in the public interest; and
- meet the eligibility criteria in the policy.

Due to the limited budget and competitive nature of funding, applicants cannot be guaranteed to receive full, partial or any financial or in-kind support.

A council officer is required to administer the program, managing applications/requests, funding agreements, project variations, acquittals and reporting.

Donations, partnerships, sponsorship and in-kind assistance requests will require a Council officer to process and recommend/not recommend; one Council Manager to endorse/not endorse request; prior to the approve/not approve decision by the Chief Executive Officer. The Chief Executive Officer will discuss recommendations with Mayor prior to final approval.

Micro-grant requests up to \$2,000 will require a Council officer to process and recommend/not recommend; one Council Manager to endorse/not endorse request; prior to the approve/not approve decision by the Chief Executive Officer. The Chief Executive Officer will discuss recommendations with Mayor prior to final approval.

For all grants, donations, partnerships, sponsorship and in-kind assistance exceeding the threshold, one Council officer will process applications prior to three officers assessing and making recommendations to Council, for approval at an Ordinary Council Meeting.

Reporting of all grants, donations, sponsorship and in-kind assistance will be provided annually at an Ordinary Council Meeting.

## **RISK MANAGEMENT IMPLICATIONS**

Risks in allocating public money through community grants programs are:

### **Failure to acquit funds**

Risk Management procedures for outstanding Outcome/Acquittal Reports consist of:

- Requests to extend project timelines and/or Outcome Report deadlines are to be submitted in writing to appropriate Council officer;
- Extension requests are reviewed on a case-by-case basis by Council officer with Chief Executive Officer approval required;
- Council officer maintains regular contact with grant recipient to monitor progress to ensure extended timeframes will be met.

At times grant recipients may face circumstances beyond their control impacting on project timelines so Council officers will try to support organisations to achieve original outcomes of awarded projects.

### **Conflict**

Conflict between applicants and Council officers and/or Councillors is a risk which will be mitigated by:

- Encouraging applicants to contact an appropriate Council officer about any disagreement or conflict with the grant application;
- Providing opportunities for applicants to meet with Council staff to obtain feedback about the application or view Minutes of assessment meetings
- Clearly minuting comments as to why an application should or should not be funded, with suggestions on where application could be improved for future submissions.

## SUSTAINABILITY IMPLICATIONS

- Economic:** All applications for financial or non-financial (in-kind) support must align with themes and goals in Council's Plans and Strategies. Economic development is identified in Council's Corporate Plan and Economic Development Strategy and community grants programs
- Environmental:** All applications for financial or non-financial (in-kind) support must align with themes and goals in Council's Plans and Strategies; many of which acknowledge the Shire's environmental significance being the only place in the world where two World-Heritage areas meet.
- Social:** Grants programs encourage community involvement and participation in sport and recreational, arts and cultural, environmental and community activities.

## CORPORATE/OPERATIONAL PLAN, POLICY REFERENCE

This report has been prepared in accordance with the following:

### Corporate Plan 2014-2019 Initiatives:

#### Theme 1 - Celebrating Our Communities

- 1.1.2 - Provide an inclusive "Community Support Program" that provides funding, recognises need and delivers valuable outcomes.*
- 1.1.3 - Host and work in partnership with community groups to celebrate civic events and the achievements of our communities.*
- 1.1.4 - Support and encourage a healthy, active and capable region through sporting, cultural and recreational opportunities, and community wellbeing initiatives.*
- 1.1.5 - Support local non-profit community, sporting and cultural organisations to build their capacity.*
- 1.1.6 - Encourage and promote volunteering opportunities throughout the Shire.*
- 1.2.3 - Develop and support opportunities to build resilience and sustainability of community groups and agencies.*
- 1.2.4 - Network, advocate and partner with stakeholders to achieve positive outcomes.*
- 1.3.1 - Take a proactive role in supporting the provision of improved facilities and services directed at assisting and caring for vulnerable groups in our communities.*
- 1.3.3 - Foster and support the role of local artists, writers and performers to encourage community vibrancy and wellbeing.*

#### Theme 4 - Engage, Plan, Partner

- 4.2.2 - Provide leadership to secure beneficial social, environmental and economic outcomes for the Shire.*

#### Theme 5 - Governance

- 5.2.2 - Implement adopted policies and guidelines to ensure consistency in administrative management which also encourages innovation in Council operations.*

## **COUNCIL'S ROLE**

Council can play a number of different roles in certain circumstances and it is important to be clear about which role is appropriate for a specific purpose or circumstance. The implementation of actions will be a collective effort and Council's involvement will vary from information only through to full responsibility for delivery.

The following areas outline where Council has a clear responsibility to act:

**Fully-Responsible**            Funding the full cost of a program or activity

## **CONSULTATION**

**Internal:**                    Chief Financial Officer, Management Team

**External:**                  Queensland Rural and Industry Development Authority

## **COMMUNITY ENGAGEMENT**

Feedback is obtained after grant information sessions and from grant recipients to refine processes, presentation tools and other practices to improve the program.

## **ATTACHMENTS**

1. Grants Donations Sponsorship General Policy DRAFT **[5.7.1 - 4 pages]**



# **GENERAL POLICY**

## **GRANTS, DONATIONS AND SPONSORSHIP**

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## 1. Intent

Douglas Shire Council will provide grants, in-kind support, donations and sponsorship or waive Council fees to support initiatives which address community, economic, social and environmental outcomes.

## 2. Scope

Council staff, Elected Members and applicants are to refer to this policy. This policy applies to Council's financial grants, Regional Arts Development Fund, partnerships, sponsorship, donations, waiver of fees and charges and in-kind (non financial) assistance requests from community and commercial organisations, groups and individuals.

## 3. Background

Council recognises there are many situations where it is appropriate to make a one-off donation or Grant, provide in-kind assistance or Sponsorship, or engage in a Partnership.

Supporting organisations, groups and individuals with financial grants and non-financial assistance such as in-kind support and waiving Council fees help develop and deliver programs, projects, activities and events that provide artistic, cultural, sporting, recreational, environmental, community, industry, social and economic benefits in the Douglas Shire.

## 4. Objectives

The objectives of Council's Grants Program, Regional Arts Development Fund, Partnerships, Sponsorships, In-kind assistance and Donations are to assist community and commercial organisations, groups and individuals develop programs, projects, activities and events that:

- Align with themes and goals in Council's Plans and Strategies;
- Address an identified need in the community;
- Benefit the community and are in the public interest; and
- Meet eligibility criteria outlined in this policy.

## 5. Provisions

Council provides assistance to community and commercial organisations, groups and individuals through Douglas Shire Council's Grants Program, Regional Arts Development Fund, in-kind assistance, waiving fees, partnerships, donations and sponsorships which align with the themes of Council's Corporate Plan.

In adopting the annual budget, Council through the Chief Executive Officer may approve an allocation of funds or in-kind assistance to support a range of initiatives via Grants, in-kind assistance, waiving fees, partnerships, donations and sponsorships.

An annual budget allocation will be provided to the Chief Executive Officer in accordance with this policy to process approvals.

Grants, In-kind Assistance, Donations, Sponsorships, Partnerships and Waiver of Fees provided by Council will contribute to Council's Corporate Plan priorities, Operational Plan Outcomes and strategic initiatives and recorded in Council's Annual Report each financial year.



**ELIGIBILITY**

A community or commercial organisation, group or individual will be eligible to apply for a council grant, donation, sponsorship, partnership or in-kind assistance if they meet the following criteria:

- Reside or primarily provide services in the Douglas Shire Local Government Area; or
- Primarily provide services outside the Douglas Shire Local Government Area, but the project is in the public interest or of community benefit to Douglas Shire residents; and
- Meet any further eligibility criteria specified in each program.

The following entities are not considered eligible for a council grant, donation, sponsorship or partnership:

- Government agencies; or
- Departments of local, state or federal government.

**APPROVAL**

Approval methods will be specified in each program. Applicants believing there has been an administrative error in the assessment of their application may request Council investigate and when necessary the decision will be reviewed by the relevant delegate.

Information regarding eligibility, ineligibility, types of funding, funding rounds, assessment criteria, assessment Matrix, supporting documentation, application, approval and acquittal process, conditions and lodgement will be detailed in Council's Administrative Instructions and Program Guidelines.

**6. References****Legislation:**

*Local Government Act 2009*

*Local Government Regulation 2012*

**7. Definitions**

**Community organisation** - an entity that carries on activities for a public purpose, or another entity whose primary object is not directed at making a profit (*Local Government Regulation 2012*).

**Grant** – an amount of money or in-kind value that is contributed by Council to an organisation or individual person for a specific purpose and to achieve a specific outcome.

**Donation** – any charitable contribution made by Council to assist a person or entity.

**In-kind assistance** – the provision of goods or services (non financial) by Council, such as waiving Council fees and charges.

**Partnership** – an agreement between Council and organisation or individual to provide financial or non-financial support based on shared or similar objectives in an equal and mutually beneficial relationship.

**Waiver of Fees and Charges** – Council services that attract a fee or charge may be waived.

This policy is to remain in force until otherwise determined by Council.  
Manager Responsible for Review: Manager Community Development

ORIGINALLY ADOPTED: 29/04/2014

CURRENT ADOPTION: 18/06/2019

DUE FOR REVISION: 18/06/2021

DRAFT