



14.1 **ENDORSEMENT OF COMMUNITY FUNDING POLICY**

EXECUTIVE MEMBER: **CAROL JEFFS, GENERAL MANAGER, COMMUNITY AND ECONOMIC DEVELOPMENT**

PREPARED BY: **DANIELLE FRASER, COORDINATOR COMMUNITY AND SERVICE PLANNING**

1. PURPOSE

- 1.1 The Community Funding Policy will provide Council and the community, with a transparent and consistent approach to community funding programs, adhering with legislative and auditing requirements.

2. EXECUTIVE SUMMARY

- 2.1 The Community Grants, Subsidies and Donations Policy was due for review in 2017.
- 2.2 The review recommended the development of a policy which would broaden its focus to encompass all community funding programs and initiatives.
- 2.3 It also identified opportunities to improve funding management to strengthen best practice, consistency and promote good governance.
- 2.4 Key findings of the review were:

2.4.1 *Alignment*

- A policy should incorporate all community funding programs - grants, subsidies, donations, as well as, funding deeds and service agreements.
- Council has a very strong sense of community and narrative expressed through its strategies and plans. However, there is no clear strategic 'line of sight' linking Council plans and policies to funded programs and documentation. This gap recognised the risk of Council Plan outcomes not being met.

2.4.2 *Partnership & Governance*

- The need for a consistent and transparent overarching policy and framework.
- The need for a clear entry and exit points into community funding allocation models. This will enable partnership opportunities along a funding continuum - from seeding, projects, continued service delivery, to strategic partnerships. This will allow better support for existing, as well as, emerging groups and trends.

2.5 The following diagram outlines the intended alignment of the funding policy (Appendix B of the Policy):

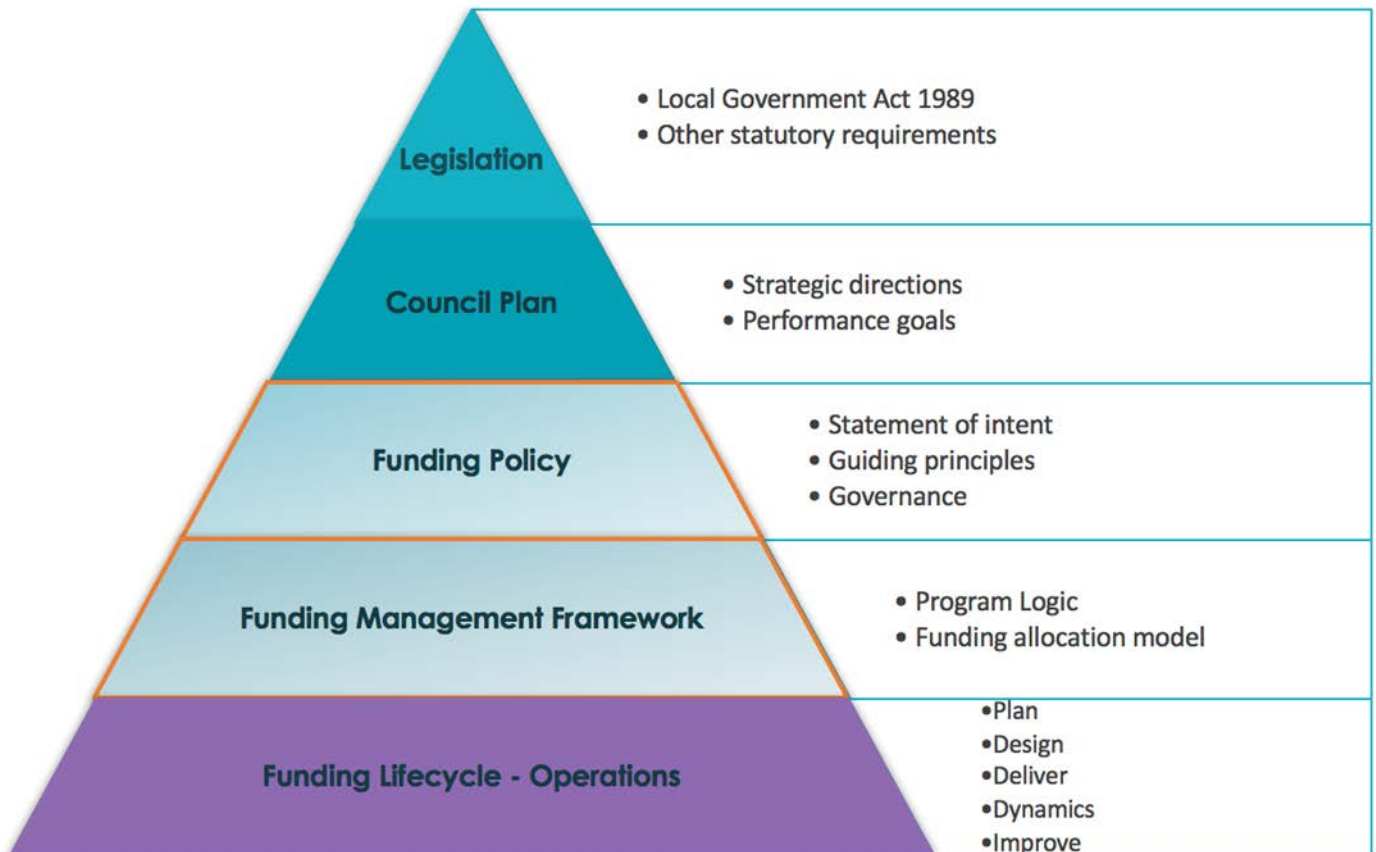


Figure 1. City of Phillip Funding Management Structure

3. RECOMMENDATION

That Council:

3.1 Endorses the Community Funding Policy.

4. KEY POINTS/ISSUES

4.1 Funding programs provide Council with a strategic opportunity to partner with the community to strengthen social connection, creativity and improve health and wellbeing through funding a range of activities and programs, especially for our most vulnerable communities.

4.2 Council officers undertook a review of all grant and subsidy programs in 2017.



- 4.3 The review recommended the development of a Community Funding Policy and supporting operational framework which would encompass all community funding programs and can provide the community with clear, robust and transparent processes incorporating best practice funding principles.
- 4.4 The updated policy (Attachment 1) strengthens the governance structures providing a whole of Council approach to community funding programs with a clear line of sight to Council's Strategic Directions.
- 4.5 The new policy provides a mechanism for annual review and potential change to ensure best value and alignment to Council strategic directions and priorities.

4.6 *Funding Policy Intent*

The community funding policy sets out to deliver:

4.6.1 *Clearly defined objectives*

4.6.2 *Local Government Act and statutory requirements*

4.6.3 *Funding Principles:*

- Social Justice
- Sustainable
- Robust & proportionate
- Accountable and transparent
- Maximise outcomes
- Positive relationships
- Flexible and responsive

4.6.4 *Community Investment Funding Model*

- The Community Investment Funding Model provides one central entry point for the community to access grant funding aligned with improving outcomes for the City of Port Phillip community.
- It aligns the Council's operational principles and Council Plan into streams of funding that enable consistent application of grant making, ability to leverage activity and an oversight of funding that is transparent and targeted for achieving outcomes.
- The investment funding model also has a clear alignment to and can inform the development of Council's Property Policy through:
 - Providing a definition of "community",



- Outlining and defining subsidy processes e.g. how we establish fees for leases and licences; or rates subsidy programs,
- Mapping investment: comparing funding (dollars given) with subsidy (e.g. peppercorn rent) to truly understand Council's investment in specific community organisations.

4.6.5 *Authorisations and approvals*

4.6.6 *Financial and payment terms*

4.6.7 *Review and reporting frequency*

5. CONSULTATION AND STAKEHOLDERS

- 5.1 There were two separate consultation periods during the development of this policy.
- 5.2 Period 1, Grant Review: consultation with numerous stakeholders via interviews, surveys, focus groups and working groups. Stakeholders included: Council officers, representatives from small, medium and large community organisation grant recipients, assessment panel members and Councillors.
- 5.3 Period 2, Policy Development: Consultation with Councillors and Council officers from across Council who administer funds, and Council officers relevant to the policy including risk, procurement and governance.
- 5.4 A further meeting was held with an external service provider to provide input and feedback into the draft policy.
- 5.5 Each consultation period assisted the development of the policy and accompanying framework.

6. LEGAL AND RISK IMPLICATIONS

- 6.1 The policy was developed to align and incorporate Council's procurement and risk policies to mitigate any risk associated with community funding.
- 6.2 This policy cognisant of what services Council provides and/or funds in alignment with National Competition Policy.

7. FINANCIAL IMPACT

- 7.1 The policy will be implemented by Council officers as part of their business as usual.
- 7.2 The strengthened governance structure will ensure the allocation of Council's funds are aligned with the Council Plan.



8. ENVIRONMENTAL IMPACT

N/A

9. COMMUNITY IMPACT

- 9.1 This policy will provide community with a clearer understanding of Council's processes, funding programming and priorities.
- 9.2 Community funding programs provide opportunity for Council to partner strategically and effectively with community organisations to deliver the Council Plan and ensure best outcomes for our local community.
- 9.3 The community sector will have clearer and more transparent entry and exit points into community funding allocation models which allow for opportunities across of spectrum of needs - from seeding, projects, continued service delivery, to strategic partnerships. This will enable better support for existing, as well as, emerging groups and trends.
- 9.4 The policy describes best practice funding principles which reference social justice whereby our funding approach aims to decrease inequity and establish environments that are inclusive, connected, supportive of all people and improve areas of social isolation.

10. ALIGNMENT TO COUNCIL PLAN AND COUNCIL POLICY

- 10.1 The Community Funding Policy aligns with Council Plan's Direction 6 – Our commitment to you by supporting and enabling Council Officers through the provision of clear governance structures and transparent processes which will ensure effective and strategic use of Council's funds.
- 10.2 The policy will also ensure that community funding programs will align with and deliver on the other five strategic directions.

11. IMPLEMENTATION STRATEGY

11.1 TIMELINE

- 11.1.1 The policy will be supported by an operational Community Funding Framework. The framework will provide structure and guidance through outlining: program logic, a community investment model that defines funding allocation categories, assessment framework and program review framework.
- 11.1.2 An implementation plan will be developed for the operational framework. It is *expected* that the amendments will be made to funding programs for the 2019-2020 funding period and financial year.



ORDINARY MEETING OF COUNCIL 6 JUNE 2018

11.2 COMMUNICATION

11.2.1 The community will be informed and engaged on the policy and all changes to funding programs through community information sessions, Council's *website*, newsletters and other communication tools as the implemented changes occur.

12. OFFICER DIRECT OR INDIRECT INTEREST

12.1 No officers involved in the preparation of this report have any direct or indirect interest in the matter.

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ATTACHMENTS 1. Community Funding Policy