

Community Grants Policy

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City of
Newcastle

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INTRODUCTION

1 Purpose

- 1.1 This Policy provides a framework for the establishment and management of City of Newcastle's (CN) **Community Grants Program** (CGP) in accordance with section 356 and section 377 of the *Local Government Act 1993* (NSW).
- 1.2 This Policy supports the delivery of community driven outcomes and benefits aligned with the **Community Strategic Plan** (CSP) for the benefit of residents of the Newcastle Local Government Area (LGA); including the seeding, supporting, and growing of Activities with outcomes for both the participants and the wider community.
- 1.3 This Policy is to be read in conjunction with the supporting CGP Guidelines.
- 1.4 This Policy and supporting CGP Guidelines determine the types of organisations or industries that CN considers appropriate to partner with through Grant funding.
- 1.5 This Policy and supporting CGP Guidelines ensure that decision-making regarding the provision of the CGP comply with relevant legislation and enable an equitable, open, and transparent process.

2 Scope

- 2.1 This Policy applies to:
 - 2.1.1 all outgoing CGP categories to enhance community, social, cultural, sporting, recreational, heritage, economic and environmental outcomes.
 - 2.1.2 all aspects of CN's CGP including application processes, decision making, Funding Agreements and Activity Acquittals.
 - 2.1.3 all elected members of Council, CN employees, any person, or organisation contracted to or acting on behalf of CN, any person or organisation employed to work on CN premises or facilities, and all activities of CN.
- 2.2 This Policy does not apply to:
 - 2.2.1 CN Sponsorship Program(s)
 - 2.2.2 Grants received by CN
 - 2.2.3 Donations provided by CN
 - 2.2.4 CN Special Business Rate Funding.
- 2.3 Any grant that falls outside this CGP, or other specific Grant program established by CN in accordance with sections 356 and 377(1A) of the Act, will be subject to:
 - 2.3.1 A resolution of the elected Council to contribute money or otherwise grant financial assistance to the recipient(s); and
 - 2.3.2 Where the recipient(s) act for private gain, 28 day's public notice has been given of the Council's proposal to pass the resolution.

3 Principles

3.1 CN commits itself to the following:

- 3.1.1 **Alignment with the CSP** - This Policy and associated Guidelines support delivery of the CSP and Four-Year Delivery Program.
- 3.1.2 **Value with public money and outcomes orientation** - This Policy supports applications whose outcomes meet community needs and offer a mix of funding sources to help maximise the impact of funding from CN. Value for money and acceptable financial risk for CN, using public funds, is considered as part of CN's Assessment Criteria.
- 3.1.3 **Accountability and transparency** - This Policy provides a robust governance framework for the transparent and merit-based provision of support with clearly defined roles and responsibilities for both CN and Grant recipients.
- 3.1.4 **Inclusiveness** - CN invites and values applications from organisations representing people of diverse abilities, genders, ethnicity, cultures, and ages.
- 3.1.5 **Collaboration** - CN values the relationships Grant recipients develop with CN, other Grant recipients and the community. Collaboration enhances positive community outcomes through the delivery of initiatives funded by CN.
- 3.1.6 **Values** - CN is committed to the United Nations Sustainable Development Goals (SDG); embedding local action as part of global recognition of community needs, social justice, reduced inequalities, and ecological sustainability.

COMMUNITY GRANTS PROGRAM

4 Legislative framework

- 4.1 By adopting this Policy, Council is endorsing the CGP as a specified grants program in accordance with sections 356 and 377(1A) of the Act.
- 4.2 The CGP operates within the Newcastle LGA for the direct benefit of residents of the Newcastle LGA.
- 4.3 All residents in the Newcastle LGA may apply, subject to meeting the Assessment Criteria of the CGP and eligibility criteria within clause 9. Notwithstanding this, applicants from outside the LGA will be considered so long as the Activity will directly benefit the residents of the Newcastle LGA.
- 4.4 The Council determines the total amount of CGP monies to be made available for expenditure each year through the adoption of CN's budget, which may be amended from time to time via CN's quarterly budget review process. The total annual budget for the CGP will not exceed 5% of CN's rates revenue levied for that year.
- 4.5 The CGP includes categories set out in CN's Operational Plan. The CGP Guidelines and other relevant Guidelines provide detail on the relevant CGP category and allocations that support initiatives that contribute to the city.

ROLES AND RESPONSIBILITIES

5 Executive Director

- 5.1 The Executive Director, at their discretion, will determine the amount of CGP monies to be made available for expenditure in each round for each category within the CGP, not exceeding the total budget adopted by the elected Council.
- 5.2 The Executive Director will review and publish annually the supporting CGP Guidelines. Guidelines, Application and Acquittal processes will be commensurate with the scale, complexity, and risk levels of the Activity.

6 Service Unit Manager

- 6.1 The Service Unit Manager is responsible for determining and approving weightings for the Assessment Criteria of CGP.
- 6.2 The Service Unit Manager is responsible for overseeing the Funding Period variations and Acquittals processes.

7 Assessment Panel

- 7.1 The Assessment Panel will include at a minimum:
 - a) Lord Mayor (or nominee).
 - b) Executive Director Corporate Services.
 - c) Manager Finance Property and Performance.
 - d) The quorum of the assessment panel will be three (3) and must comprise at least one of either the Executive Director Corporate Services or Manager Finance, Property and Performance.
- 7.2 Additional members may be added to the assessment panel as required in line with clause 10.2.
- 7.3 The Assessment Panel will assess grant applications and the value of funding requested.

8 Grant Recipients

- 8.1 Grant recipients are required to comply with this Policy and supporting CGP Guidelines, as well as any conditions of a Funding Agreement.
- 8.2 Successful recipients are required to submit an Acquittal for all Grant funding received.
- 8.3 CN will provide Grants as cash and/or Value-in-kind. Any CN goods or services provided should be costed by the recipient at the appropriate Not-For-Profit Organisation or commercial rate as per the published fees and charges and included in the recipient's Activity budget.
- 8.4 A monetary figure will be allocated to all Value-in-kind awarded in accordance with its real cost to CN and included in the total amount of funding allocated to any successful recipient.
- 8.5 The recipient is required to publicly acknowledge CN for all Activities funded by CN as per conditions of a Funding Agreement.

ELIGIBILITY AND ASSESSMENT

9 Eligibility criteria

- 9.1 Eligibility of certain entities may differ across CGP categories. There is no guarantee of funding even if all Eligibility criteria are met. CN may accept Grant applications from the following entities:

- 9.1.1 Company Limited by Guarantee, Cooperative, Incorporated Association, Indigenous Corporation, Not-for-profit organisation, Partnership, Sole Trader, Social Enterprise, Proprietary Limited Company and Individuals.
 - 9.1.2 Applications from individuals may be required to be Auspiced by, or partnered with, a registered organisation or CN may specify that individuals can apply for a specific program. Applications from registered charities and incorporated associations will be reviewed with regard to governance and accountability status under relevant legislation.
- 9.2 Applicants seeking CGP funding must comply with the following essential eligibility criteria, in addition to any category specific criteria as detailed in the guidelines:
- 9.2.1 Applicants must operate within the Newcastle LGA and/or be able to demonstrate that the Activity will directly benefit residents of Newcastle;
 - 9.2.2 Applications must be received on or before the advertised due date and completed with the required level of detail and supporting documentation as specified in the Guidelines;
 - 9.2.3 An applicant's Activity must begin after the Grant funding commencement date. Funding for retrospective, recurrent or ongoing funding will not be considered;
 - 9.2.4 The Activity must be consistent with the CSP and SDGs;
 - 9.2.5 Applicants must have the appropriate level of insurance for the Activities that are the subject of the funding application;
 - 9.2.6 Applicants must be capable of obtaining all regulatory approvals for the Activity.
 - 9.2.7 Where an Activity will involve adults working with children, successful applicants must undertake the necessary 'Working with Children' checks. The applicant must provide CN with a letter advising of the successful completion and clearance of these checks prior to commencement of Activity. The letter must be signed by an office bearer of the organisation receiving the Grant.
- 9.3 Activities that are not eligible for Grant funding:
- 9.3.1 Activities that duplicate existing services or have a current Funding Agreement for the same Activity. This applies to all funding from CN including Grants, Sponsorships and Special Business Rate funding;
 - 9.3.2 Religious ceremonies and/or activities which do not have the main purpose of directly benefiting the broader residents and/or businesses of the Newcastle LGA, or religious activities which otherwise breach clause 9.3.4;
 - 9.3.3 Profit making Activities where profits are allocated to shareholders, owners and/or members;
 - 9.3.4 Activities that vilify or discriminate a person or persons in respect of race, age, disability, religion or sexual orientation or use live animals as part of a performance, or any other Activity which CN reasonably considers may promote an exclusive or Socially Harmful, Environmentally Harmful Activity or involves illegal conduct;
 - 9.3.5 Applications seeking funds for prize money, gifts or awards or general fundraising appeals including those seeking funding for representative sport or cultural activities;
 - 9.3.6 Fees and charges associated with compliance or development applications payable to CN.
- 9.4 CN will consider applications from reputable organisations whose public image, products and services are consistent with the values, goals, and policies of CN.
- 9.5 The following companies, partnerships, sole traders, organisations or individuals are not considered by CN as suitable for Funding Agreements:

- 9.5.1 Involved in any Environmentally or Socially Harmful Activity and/or manufacture, distribution and wholesaling of an Addictive Drug;
 - 9.5.2 Found guilty of illegal or improper conduct by the Independent Commission Against Corruption (ICAC) or any similar authority;
 - 9.5.3 Subject of a criminal conviction imposed by a Court of New South Wales or other jurisdiction in Australia, including for any offence under the *Crimes Act 1900*, *Crimes Act 1914* and the *Criminal Code Act 1995*;
 - 9.5.4 Involved in political fields or affiliations, eg political parties;
 - 9.5.5 Other local, state or federal government departments and agencies;
 - 9.5.6 Involved in a competitive tender or purchasing process for the same Activity, at, or around the time of applying for a Grant or other Funding Agreement;
 - 9.5.7 Record of unsatisfactory Acquittal of prior Grant or Sponsorship with CN; and
 - 9.5.8 Record of outstanding debt with CN.
- 9.6 CN employees or Councillors are not eligible to directly apply for funding. If a CN employee or Councillor is a party to an application submission, this must be declared, and the employee or Councillor is unable to take part in the assessment of the application.

10 Assessment of Grant applications

- 10.1 Activities that satisfy the Eligibility Criteria set out in Section 9 and the associated CGP Guidelines will be evaluated against Assessment Criteria published by CN in Guidelines each year. Assessment Criteria will include consideration of:
- 10.1.1 Alignment of the proposed Activity to the CSP;
 - 10.1.2 Capacity and experience of an applicant to complete the Activity;
 - 10.1.3 Extent to which the budget is comprehensive, realistic and provides value for money.
- 10.2 An Assessment Panel will be established for each CGP category. Membership of Assessment Panels will be appropriate to the objectives and scale of the Grant category within the CGP, and may consist of CN employees, Councillors, and external appointments with expertise in a related field. CN subject matter experts may provide advice to an Assessment Panel.
- 10.3 CN employees and members of the Assessment Panel involved in the assessment and approval of applications under this section, must comply with CN's Code of Conduct and declare any potential pecuniary or non-pecuniary conflicts of interest.

11 Public Information

- 11.1 CN will provide information to potential applicants on the CN website. This will include associated CGP Guidelines.
- 11.2 CN may host public information session(s) to provide information to prospective applicants about the program.
- 11.3 CN will publish each Activity funded via the CGP on its website.

FUNDING AGREEMENTS

12 Funding Agreements

- 12.1 All successful applicants will be required to enter into a Funding Agreement before funds are released and the Activity commences. The Funding Agreement will include:
 - 12.1.1 All terms related to the Funding Agreement and the provision of the Grant;
 - 12.1.2 All terms related to the Payment Schedule;
 - 12.1.3 All terms related to the Activity and financial Acquittal.
- 12.2 Single year and multi-year commitments may be approved under this Policy. Multi-year Funding Agreements may be approved for a maximum of three consecutive years in order for CN to continue to support, develop and create a dynamic range of opportunities in the community into the future.
- 12.3 Funding Agreements will be available for between one (1) and three (3) consecutive financial years, subject to the requirements of the Grant category within the CGP, annual deliverables and an Acquittal and approval process tied to the annual payments. This is also subject to CN's annual budget processes.
- 12.4 The Finance, Property and Performance Manager may approve:
 - 12.4.1 Funding Period variations: changes to the Funding Period due to a delayed start date, a delay during the Grant, a change to the end date, and/or changes to the project team.
 - 12.4.2 Activity variations: changes to the Activity scope including budget allocations, redirection of funds and outputs.

ANNEXURE A - DEFINITIONS

Acquittal is a report submitted as per a Funding Agreement at the conclusion of a project detailing how the recipient administered the Grant funds and met the Activity outcomes in the Funding Agreement.

Activity is a one-off or time-limited task/undertaking or series of linked tasks/undertakings with specific goals and conditions, defined responsibilities, a budget, planning, information about the parties involved and a specific start date and end date. An Activity can also be referred to as a **Project**.

Addictive Drug means any substance listed in the Therapeutic Goods Administration Poisons Standard or listed as a prohibited drug at Schedule 1 of the *Drug Misuse and Trafficking Act 1985*.

Assessment Criteria means the method used to evaluate an application.

Assessment Panel means the panel assessing applications and determining Grant as set out at section 7.

Auspice is an incorporated organisation that receives, administers, and acquits Grants on behalf of an applicant.

City of Newcastle (CN) means Newcastle City Council.

CN employees means persons employed by the City of Newcastle accountable to CN's policies and procedures.

Community Strategic Plan (CSP) is the highest level of strategic planning undertaken by CN. It identifies the main priorities and aspirations of the community and provides a clear set of strategic directions to achieve the community's vision.

Company is defined by the *Corporations Act 2001* (Cth) and registered with the Australian Securities and Investment Commission (ASIC). Companies must be registered in Australia to be eligible to apply.

Company Limited by Guarantee is a Company with liability limited to the guarantees of its members. This is a common structure used by the not-for-profit sector.

Cooperative is an organisation owned, controlled by, and used for the purpose of benefitting its members.

A non-distributing Cooperative is one that uses surplus funds to support its activities and cannot distribute to members (not-for-profit).

A distributing Cooperative may distribute any surplus funds to its members.

Council means the elected Council.

Eligibility is the state of being eligible to apply for funding through satisfaction of appropriate criteria.

Environmentally Harmful Activities are considered to be production of pollutants, toxins, and greenhouse gas; habitat destruction, nuclear power and uranium mining.

Funding Agreement is the agreement entered into between CN and a successful applicant for an Activity. It will articulate any financial or in-kind support provided by CN for the Activity. A Funding Agreement will detail Acquittal responsibilities and any specific conditions.

Grant is the financial support provided to applicants for an Activity. A Grant seeks a nominal return on investment from the benefits provided the community. Benefits may include improvement in the quality of life for the community from Activities meeting identified needs.

Guidelines means the specific conditions and Criteria for each Grant category under the CGP to be read in conjunction with this Policy.

Incorporated Association is an association that has been incorporated in accordance with the requirements of the *Associations Incorporation Act 2009*.

Indigenous Corporation is established under the *Corporations (Aboriginal and Torres Strait Islander) Act 2006*.

Not-for-Profit Organisation is an organisation that does not directly operate for the profit or gain of a owner(s), member(s), or shareholder(s), either directly or indirectly. The organisation must be registered with the Australian Securities & Investment Commission (ASIC) or The Australian Charities and Not for Profit Commission (ACNC).

Partnership is a contractual relationship between parties carrying on business with a view to profit. Partnerships can be 'normal' (unregistered), limited or incorporated and limited (both registered on the Register of Limited Partnerships and Incorporated Limited Partnerships, administered by NSW Fair Trading).

Payment Schedule is the agreed timing of payments from CN to recipients.

Project see Activity.

Proprietary Limited Company (abbreviated as 'Pty Ltd') is a business structure with at least one shareholder and no more than 50 non-employee shareholders, with shareholder liability limited to the value of shares.

Registered Charity means a Charity registered with the Australian Charities and Not-for-profits Commission.

Social Enterprise is a business with a clear and stated social, environmental, or cultural mission articulated in an adopted constitution. Social Enterprises are usually driven by a public or community cause, derive income from trade (not donations or Sponsorships) and use profits to work towards the social mission defined by a constitution.

Socially Harmful Activity includes any activity involving the abuse of human rights or labour rights; involvement in bribery or corruption; production or supply of armaments; manufacture, distribution and wholesaling of alcohol, tobacco or nicotine related products; gambling products or services; pornography; the trade of fur or other illegal wildlife trade; abuse of animal welfare, live animal entertainment and any other activity which CN reasonably considers may pose a Socially Harmful Activity.

Sole Trader or sole proprietor is a business that is owned and managed by one person.

Special Business Rate are funds collected from I declared city precinct businesses within Newcastle LGA for the promotion, beautification, and development of the precincts, and awarded through a competitive application process.

Sponsorships are commercial agreements in exchange for a benefit(s). Sponsorship is not philanthropic with the sponsor expecting a benefit (return on investment) as agreed in a Sponsorship agreement.

Value-in-kind refers to goods or services provided by supporters of a project that has a real value for the project and/or supporter and/or community.

Unless stated otherwise, a reference to a section or clause is a reference to a section or clause of this Policy.

Annexure B Policy Authorisations

In accordance with section 378 of the Local Government Act 1993, the Chief Executive Officer delegates the following functions to the positions listed:

Title of authorisation	Description of authorisation	Position Number and Title
Community Grants - Assessment Criteria	Determine and approve weightings for Assessment Criteria as set out in the Community Grants Policy	P60636 – Manager Finance, Property and Performance P60634 - Manager Project Management Office P60638 – Manager Community and Recreation
Community Grants - Execute Funding Agreements	Execute Funding Agreements to approved Grants consistent with the Assessment Panel's recommendation as set out in the Community Grants Policy	P60636 – Manager Finance, Property and Performance P60634 - Manager Project Management Office P60638 – Manager Community and Recreation
Community Grants – Funding Period variations	Approve Funding Period variations as set out in the Community Grants Policy	P60636 – Manager Finance, Property and Performance P60634 - Manager Project Management Office P60638 – Manager Community and Recreation
Community Grants - Activity variations	Approve Activity variations as set out in the Community Grants Policy	P60636 – Manager Finance, Property and Performance P60634 - Manager Project Management Office P60638 – Manager Community and Recreation
Community Grants – Acquittals oversight	Oversee Acquittals process as set out in the Community Grants Policy	P60636 – Manager Finance, Property and Performance P60634 - Manager Project Management Office P60638 – Manager Community and Recreation
Community Grants - CGP Guidelines	Review and approval of CGP Guidelines as set out in the Community Grants Policy	P60629 Executive Director Corporate Services

DOCUMENT CONTROL

Policy title	Community Grants Policy
Policy owner	Manager Finance, Property and Performance
Policy expert/writer	Grants and Sponsorship Officer
Associated Procedure Title (if applicable)	Nil
Procedure owner (if applicable)	N/A
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Legislative amendments	Nil
Relevant Newcastle 2040 theme and priority	Liveable Sustainable Creative Achieving Together
Relevant strategy	Community Strategic Plan
Relevant legislation/codes (reference specific sections)	<i>Local Government Act 1993 (NSW) (s356, s377)</i>
Other related policies/ documents/ strategies	Community Grants Program (CGP) – Guidelines
Related forms	Nil
Required on website	Yes
Authorisations	Functions authorised under this Policy at Annexure B