ATTACHMENT TO AGENDA ITEM

Ordinary Meeting

18 March 2014

Agenda Item 9.1   **Policy and CEO Directive for Distribution of Council Grants**

GREATER SHEPPARTON CITY COUNCIL

Policy Number 43.POL1

Grant Distribution

Version 1.0

(First number changes for a major rewrite, second number changes for a minor amendment)

Adopted Day Month Year

Last Reviewed Day Month Year

Business Unit:	Investment Attraction
Responsible Officer:	Geraldine Christou
Approved By:	Chief Executive Officer
Next Review:	

PURPOSE
To deliver grant programs that support and encourage community groups to improve their facilities, social connections, events and neighbourhoods in accordance with the current Council Plan objectives.

OBJECTIVE
The objective of this Policy is to ensure that Council's grant principles, processes and procedures, achieve the following objectives:

  (a) a clear and established process for distribution of Council grants

  (b) improved transparency and public awareness of grant programs

  (c) to assist as many eligible projects as possible to maximise community benefit

  (d) support adherence to the Council Plan and local Community Plans resulting from the community development process
  (e) ensure that an appropriate eligibility and acquittal process is established.

SCOPE
This Policy applies to all Council staff who distribute grants to the local community.

DEFINITIONS

Reference term	Definition
Council staff	Includes full-time and part-time Council staff, and temporary employees, contractors and consultants while engaged by the Council
Local Community	All residents within Greater Shepparton
Community group	A "not-for-profit" group or organisation with an open membership to residents of Greater Shepparton

POLICY

1. **Policy Principles and Application**
   a. Council will apply the following fundamental principles to every grant program provided by the Council;

   - adhere to and promote objectives identified in the current Council Plan
   - be just
   - be fair and free from bias, conflict of interest or any other form of influence
   - be properly resourced
   - be properly recorded.

2. **Grant Categories**
   a. Funding that applies to this policy will be allocated under, but not limited to, the following grant categories;

   - Community Matching grants
   - Arts in the Community grants
   - Community Events grants
   - Our Sporting Future, including:
     o Major Projects grants
     o Minor Projects grants
     o Sports Aid grants
   - Small Towns Festive grants

3. **Funding Criteria**
   b. all applications will be assessed against the following funding criteria:

   - meets Council Plan objectives
   - identified community need
   - increases community involvement and participation
   - addresses safety and risk issues
   - demonstrates confirmed matched funding commitment, in-kind (if applicable)
   - clearly identified project scope and outcomes
   - clearly defined project management
   - proven track record to comply with Councils financial requirements and acquittals for grants in the last 3 years
   - benefits 'hard to reach groups', e.g. traditionally disadvantaged persons.

4. **Funding Exclusions**
   a. Council will not fund:
     - retrospective funding , e.g. projects that have already started or have been completed
     - individuals

- groups and or organisations that operate for profit
- fundraising activities
- projects that are clearly a duplication of an existing service
- groups which are not incorporated
- groups which do not have an Australian Business Number (ABN)*
- politically based organisations or those who operate principally as a lobby group
- groups who are in debt to Council
- prize money and awards
- groups that receive direct income from electronic gaming machines.

*groups that do not have an Australian Business Number (ABN) can receive a grant via an auspice body.

5. Advertising

a. information about all Council grants will be made publicly available in a coordinated manner on Council's website, via social media and other media as appropriate.

6. Application Process and Evaluation

a. funding guidelines and application forms are made available to applicants

b. applications received will be;
  - evaluated by a panel and scored against the funding criteria
  - ranked in order of score with a cutoff point determined by the amount of funding available

c. a Council report on applications received and the results of the assessment panel will be prepared for Council determination on the allocation of grant funding

d. Council reserves the right to fund any project at its sole discretion

e. acquittal and project review information will be required from each applicant and reports will be provided to the Council

f. all grant programs will be evaluated on a regular basis.

RELATED POLICIES AND DIRECTIVES

- CEO Directive Process for Grant Distribution 43.CEOD1

RELATED LEGISLATION

- *Please list any related legislation in bullet form*

REVIEW

This Policy will be reviewed every four years, initially by the Grants Coordinator and then in conjunction with the relevant Responsible Manager.

Gavin Cator   **Date**
Chief Executive Officer

ATTACHMENTS

Appendix A: CEO Directive Process for Grant Distribution 43.CEOD1

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TRIM Ref. M13/44584
Grant Distribution Policy

GREATER SHEPPARTON CITY COUNCIL

43. CEOD1

Process for Distribution of Grants

Version 1.0

(First number changes for a major rewrite, second number changes for a minor amendment)

Adopted Day Month Year

Last Reviewed Day Month Year

TRIM: M13/10362

Business Unit:	Investment Attraction
Responsible Officer:	Geraldine Christou
Approved By:	Chief Executive Officer, Gavin Cator
Next Review:	

PURPOSE

Council provides a range of grant programs to the local community every year. The aim of these grants is to improve facilities, social connections, events and neighbourhoods in accordance with the current Council Plan objectives.

The purpose of this CEO Directive is to outline the process required internally to deliver grant programs that support and encourage community groups. To ensure that the Council grant programs are delivering sustainable outcomes, which are in line with the requirements of the community, all grant programs will be linked to the key objectives of the Council Plan.

OBJECTIVE

The objectives of this CEO Directive are to:

a) provide a clear and transparent process for running a grants program

b) clarify the roles and responsibilities within Council for managing grants

c) ensure that Council's grant programs are delivered to a high standard

d) ensure that Council's grant programs correspond with the key outcomes of the Council Plan
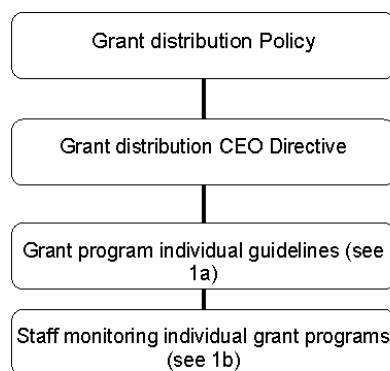
DEFINITIONS

Reference term	Definition
Grants Coordinator	Current incumbent of the Grants Coordinator position
Community	All residents within Greater Shepparton

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DIRECTIVE

Grant process

All grant programs delivered by Council are directed by the Grant Distribution Policy 43.POL adopted by Council.

1. Governance and structure

The grant distribution process at Council is maintained by the following governance structure:

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        │    Grant distribution Policy    │
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        ┌─────────────────────────────────┐
        │  Grant distribution CEO Directive │
        └─────────────────────────────────┘
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        ┌─────────────────────────────────┐
        │ Grant program individual guidelines (see │
        │              1a)                │
        └─────────────────────────────────┘
                        │
        ┌─────────────────────────────────┐
        │ Staff monitoring individual grant programs │
        │            (see 1b)             │
        └─────────────────────────────────┘
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A cross-Council working group have been established to discuss granting issues and progress. The Grants Coordinator will chair the group. The group is expected to meet bi annually.

(a) Grant program guidelines

Each grant program provided by Council is required to have up to date guidelines available for the applicants. The Grant Distribution Policy assists in the drafting of the guidelines and details may vary in content from program to program but the following headings are required for all guidelines:

<u>Purpose of grant</u>

Outline the overall and specific purpose of the grants program. It is important to clarify both the "what" of the program and the "why". E.g., "The purpose of the grant is to sustain active and engaged communities within Greater Shepparton".

<u>Goals, Outputs and outcomes</u>

Provide a summary of what the program hopes to achieve. Goals are harder to measure while outputs and outcomes are more practical and specific. Outputs can to be monitored and measured. The key outcomes of each grant program must be in line with the Council Plan objectives.

<u>Quantum of funds</u>

List the total amount of funds available for allocation under this program and how many rounds per year.

<u>Size, timeframe and nature of grants</u>

State the upper and lower level of grants available. Clarify the timeframe of what period the grants will cover.

<u>Eligibility</u>

Eligibility criteria are generally covered by the Grants Making Policy and have to be outlined in the guidelines for all applicants. The goals and anticipated outcomes of the grants program will determine the types of applicants that are desired. It will also outline how often a grantee can apply for the same grant.

(b) Staff monitoring

The Grants Coordinator has a cross Council function and is responsible for:

- development and review of the Grant Distribution Policy and CEO Directive.
- set up and administration of the online grant application system (SmartyGrants)
- provide assistance to all staff members in development of guidelines and application forms
- organise and chair the internal grants working group
- assist in the application assessment process
- coordinate the grants section on the Council website
- coordinate cross Council promotion campaigns about Grants
- assist in supporting applicants
- attend grant network meetings and training courses and to be responsive to new learning about grants management and communicate this to relevant staff.

Each grant program will require a staff member who is responsible for delivering the program. The staff member is responsible for:

- being the contact person and application support for applicants
- organising advertising and promotion for individual grant rounds
- drafting guidelines and make sure guidelines are up to date (in conjunction with the Grants Coordinator)
- managing timeframes and quantum of funds (in conjunction with respective area Manager)
- managing the application process in the SmartyGrants system
- record keeping of grant application records
- organising a panel to review grant applications and prepare a Council report for decision making
- notifying successful and unsuccessful applicants on the outcome of the application
- contract arrangements

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- payment arrangements

- reporting and monitoring

- dealing with grant recipient performance issues

- financial acquittals and project review including key outcomes

- preparing a Council report on project review including key outcomes

- publication and promotion of program outcomes

- program evaluation and recording of lessons learnt.

2. Record keeping system

The Executive determined in September 2013, that all funding programs will be run via an online grants system called 'Smartygrants'. Smartygrants is software that provides online applications for the grant provider and applicants. The Grants Coordinator will implement the system.

Smartygrants has different user levels and the Grants Coordinator will be the 'administrator' for the program. Each staff member who manages a grant program will receive access as a 'program manager'.

Any documentation received via Smartygrants will be transferred into Council's record management system TRIM on a regular basis. A minimum requirement is that this must be done at the end of each grant round.

3. Application Process

All applications will be managed via the Smartygrants system. Application forms will be set up in the system for each grant program. It is important to design the application form so that it only requests information that you need to make a decision on the application. It needs to be clear who will manage the application process and under what timelines.

Although application forms and questions will vary depending on the objectives of the grant program, all grant programs must include the following items in the application form:

- ABN number

- not for profit organisation

- response to Council plan objectives

- response to grant program objectives

- building and or planning permit requirements (if applicable) *

- information regarding access and inclusion (for further details please contact Council's access and inclusion officer)

- budget section

- privacy statement.

*any costs associated with any required permits must be covered by the applicant and will not be waived by the Council unless special circumstances apply and the Executive have made a decision.

4. Awarding grants

All grants received within the application period must be assessed against set criteria. The Grant Distribution Policy and the individual guidelines with specific objectives for each program will determine the assessment criteria.

Staff members who manage a grant program must follow the process below for awarding grants:

1) set up an assessment panel made up of Council staff from different areas within Council. All members of the panel will read <u>ALL</u> of the applications and score them against the set funding criteria outlined in the guidelines. A template for scoring is available in the Smartygrants system and will be set up to fit with the criteria of each grant program

2) organise a meeting with the assessment panel to rank all applications in order of score, with a cutoff point determined by the amount of funding available

3) prepare a Council report including the results of the assessment process and scoring and present this to the Executive

4) a Council report must be written and presented at an Executive briefing and Council briefing. The final decision will be made by Councillors at an Ordinary Council meeting.

5) Contact successful and unsuccessful applicants to advise of the outcome of the application

6) publish outcomes of the grant round on Council's website.

Managing Grants

Funding agreement

Prior to payment being made, both parties have to enter into a funding agreement. The funding agreement will outline the amount of the grant, the scope of the project and timelines. It will also have a requirement for a financial acquittal and reporting at the end of the project.

Payment system

EFT on receipt of funding agreement, grants are paid fully in advance.

Payment method

Councils preferred payment method is direct credit. All grant recipients who are not registered suppliers with Council need to fill in the supplier registration form and return it to Council.

Managing performance issues

Performance issues of the grantee organisation such as failure to achieve milestones, ineffective management of the funds, and mismanagement of funds or changes to the activity are not uncommon. The best way to address performance issues is to be prepared and have an early intervention plan to deal with them ready.

Acquitting the project

Acquittals are important in order to assure financial accountability and for Council to assess the effectiveness of the grant programs. Financial acquittals are done at the end of the project. It has to be clearly defined to the grantee that there will be a financial acquittal at the end of the project so they can prepare and see it as part of the project rather than an extra burden put upon them that they were unaware of.

All grantee organisations will be requested to provide a review of the project of which they were funded for. This can be done in either written form, photos, verbal presentation and/or a blog or video clip. The Communications Department may be able to assist in capturing videos and digital photographs.

The Councillors have requested that all feedback and review be provided to them so they will know the outcomes of each project.

All acquittals will be recorded in Smartygrants.

Unsatisfactory acquittals

Staff members who manage a grant program will review financial acquittals. If the acquittal is deemed unsatisfactory, the staff member will request an amended acquittal to be submitted.

If there are issues with the acquittal the staff member can seek support from the Grants Coordinator and/or the Team Leader Accounting in the Finance Department.

Review and Evaluation

Each grant program will benefit from regular evaluation and review of the outcomes and outputs. This must be done in order to keep up with changes and make sure the program is of best interest and benefit to the community and is as efficient as possible.

To keep a "lessons learnt" log is recommended in order to capture items that could be improved and keep a record that can be transferred in case of staff turnover.

RELATED POLICIES AND DIRECTIVES

- Grant Distribution Policy 43.POL1

RELATED LEGISLATION

- *N/A*

REVIEW

This CEO Directive will be reviewed every four years, initially by the Grants Coordinator, and then in conjunction with the relevant Responsible Manager.

Gavin Cator   **Date**

Chief Executive Officer

ATTACHMENT

NIL

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