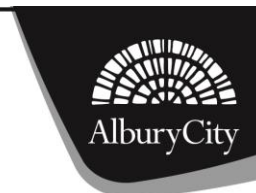


POLICY NAME	Financial Assistance Policy
DIRECTORATE	Corporate Services



1. PURPOSE

AlburyCity regularly makes financial and in-kind contributions to groups, organisations and individuals. These financial contributions are an important part of Council's strategy for meeting the needs identified in the Community Strategic Plan, other Council strategic plans such as social, cultural and recreation plans and for meeting its access and equity obligations.

Council is accountable to the community for the management and disbursement of its funds. This is done in a manner that maximises the benefits to the community and is transparent, fair and equitable. Recipients of Council funds have a responsibility to use those funds for the purposes for which they were given and to meet all legal and reporting obligations.

All financial assistance will be in accordance with the Local Government Act 1993 and associated regulations.

2. SCOPE

This policy applies to community groups, organisations and individuals that apply for, and receive, financial and in-kind assistance from AlburyCity.

To ensure that all transactions are recorded and subject to Council's internal control processes.

3. DEFINITIONS

The **AlburyCity Community Fund** is an annual funding program for significant community capital assets or improvements. The applicant must meet specified criteria. The funding may be through a grant or an interest free loan (subject to a contract) or a combination of both. Community assets include assets owned by Council and managed by others, assets managed by Council on behalf of others and assets owned by others that are available to the community.

A **donation** is any financial or in-kind assistance that is provided by Council to any individual, group or organisation to support a service, program or initiative that is likely to benefit the community.

Financial assistance includes direct financial contributions provided by Council to a group, organisation or individual through Council's Community and Cultural Grant Program and Sports Program, donations towards programs and services through funding or contractual agreements between Council and the funded organisation, contributions funded through the AlburyCity Community Fund, any other direct financial payment made by Council that will benefit the applicant.

Financial assistance records will detail financial assistance provided for each financial year in the Authority database and will include taxation implications such as GST applicability. This will allow reporting of assistance provided and ensure third party obligations are met.

A grant is money provided to recipients who meet a specific program or fund criteria to deliver an agreed outcome. The evaluation process is usually competitive.

In-kind assistance includes a donation involving the use of Council personnel, equipment or facility. This form of assistance may still lead to council incurring direct costs such as wages and plant hire. It also includes the subsidisation, reduction or waiver of fees normally charged by Council to use a facility or access a service as this is income forgone by Council.

Examples include providing subsidised meeting room space for community groups, road closures and road barriers as part of an event that is not charged at commercial rates, use of its photocopiers for not for profit organisations to print newsletters, and peppercorn lease arrangements for community facilities.

4. REFERENCES

- The Local Government Act 1993, specifically Section 356, *Can a Council financially assist others* and Section 377 *General power of the Council to delegate*.
- AlburyCity Scholarships Program
- AlburyCity Delegations of Authority Register.
- Albury Entertainment Centre – Subsidised Use Policy [DOC11/44667](#).
- Annual Donations and Sponsorships Schedule (adopted by Council as part of the annual Operational Plan).
- Annual Events Assistance budget (adopted by Council as part of the annual Operational Plan).
- Annual Fees and Charges Schedule (adopted by Council as part of the annual Operational Plan).
- Community and Cultural Grants Program Assistance Policy (DOC11/27897) (*formerly called the Financial Assistance Policy which will be superseded by this policy*).
- Smarty Grants Online Application System.
- Events Sponsorship Procedure DOC10/32514.
- Waiving of Fees for Development Applications/Construction Certificates Policy [DOC11/27888](#).
- Accounting for Council's Financial Assistance Procedure DOC13/36784.
- AlburyCity Community Fund Loan Procedure.
- Asset Disposal Policy DOC13/47094.

5. CONTENT

5 Part A Objectives

- a. To ensure that financial assistance and in-kind support to community groups, organisations and individuals is fair and equitable and undertaken within a system that fosters public confidence.
- b. To ensure the desired outcomes of the program/activity or event/service that will be funded are clear, monitored and evaluated.
- c. To ensure the recipients of the financial assistance or in-kind support understand their role and obligations.

- d. To ensure applicants understand the information they will be required to provide under the different financial assistance programs.
- e. To provide an approved process for groups, organisations or individuals applying to Council for financial assistance or in-kind support.

For the Community & Cultural Grants Program and the AlburyCity Sport & Recreation Grant Program, a copy of the application form will be created and available by the applicant registering their organisation's details in the Smarty Grants Software Program administered by Council.

- f. To ensure Council fulfils its legislative requirements under Sections 356 and 377 of the Local Government Act 1993.

Council nominates financial assistance budgets in each year's Operational Plan for the following items: the AlburyCity Community Fund, Community & Cultural Grants, AlburyCity Sport & Recreation Grants, the Mayor's annual Donation Fund, the Events sponsorship budget, the recurrent Donations and Sponsorships Schedule, community group hire rates in the Fees and Charges schedule, and in-kind assistance through the community development, cultural, engineering and parks operational budgets. The draft Operational Plan is placed on public exhibition for 28 days.

Grant programs are reported to Council for final approval before the grants are released.

Donations that are not covered by existing budget allocations or specific budgeted programs will be reported to Council for approval.

Council staff do not have the delegation to waive or subsidise fees other than those specified in the Albury Entertainment Centre – Subsidised Use Policy and the Waiving of Fees for Development Applications/Construction Certificates Policy.

- g. To meet transparency requirements.

A summary of financial assistance, and in the case of significant donations the recipients and the total amount contributed, granted under Section 356 of the Local Government Act, will be included in the AlburyCity Annual Report.

- h. To provide assistance to community groups to maximise their opportunities to access funding sources other than AlburyCity.

This support includes regularly promoting grant opportunities through community networks, assisting organisations prepare applications, conducting grant writing workshops, providing grant application resources on the AlburyCity website and offering assistance where reasonable and practicable.

5 Part B General Criteria

The general criteria for evaluating requests for financial or in-kind assistance includes the following items. There may also be additional criteria for specific programs.

- a. How the initiative links to the outcomes and goals in Albury's Community Strategic Plan, *Albury 2030*, and Council's adopted strategic plans.
- b. How the initiative provides community benefit beyond a specific interest group.
- c. How the initiative meets the specific grant program's criteria.
- d. Whether the recipient has access to other funding sources or has received funding from other organisations.
- e. Whether the applicant has received financial assistance from Council in previous years.
- f. Whether the applicant has met their obligations if they have previously received funding from Council.
- g. Whether the applicant will be contributing to the initiative and the quantum of this contribution.
- h. Whether the timing of the initiative integrates well with other initiatives.
- i. Whether the applicant or the occupier of a facility that has applied for assistance is in arrears with their financial obligations to AlburyCity.

5 Part C Types of Financial Assistance Provided by Council

a. Community & Cultural Grants

Purpose

To provide grants to initiate new and innovative community and cultural development projects. These grants are designed for non-profit community groups based in the Albury local government area to apply for grants for specific projects/programs which are not funded by other sources. The activity, event or service funded must benefit residents living in the Albury Local Government Area. Grants are not available for individuals or political parties. Organisations and entities applying for funding must be an incorporated body and must have public liability insurance to the sum of \$20m over the duration of the activity, event or program which is being funded.

Alternately, unincorporated entities may apply for grant funding provided they nominate an auspicing body which is incorporated, has the required insurance and has agreed to accept and administer the grant funding on behalf of the applicant.

Limit

Although no limit is set on the amount of funding which is provided to applicants under this program, an overall program budget is set as part of the annual Operational Plan. Grants up to a maximum of \$5,000 are generally applied for, although exceptional projects demonstrating collaborative partnerships with other organisations and meeting a community need can be submitted. A community panel will be responsible for appraising the grants received and making a formal recommendation to Council in terms of what projects should be funded and what level of funding should be made available.

The panel shall comprise a representative from a community organisation, a representative from a cultural organisation and the Chairperson of the Community and Cultural Committee of Council.

Criteria

The community panel shall appraise all applications in accordance with the following criteria:

1. Alignment with a need or issue identified within AlburyCity's Community Strategic Plan *Albury 2030*, Social and Cultural Plans and other AlburyCity strategic plans.
2. Consultation with the community in developing the project.
3. Creating opportunities to enhance skills.
4. Encouraging community participation in the project.
5. Providing opportunities for sections of the community that do not normally access programs or activities.
6. Exposing the community to a range of community and cultural opportunities not currently available.
7. Activity/program that will be completed within 12 months from the date of receiving the grant.
8. Some level of contribution from the applicant organisation.

Organisations in arrears with their financial obligations to AlburyCity will not be eligible.

Organisations that have a current agreed loan repayment schedule relating to funding for a previous project and have met all payment schedules are not precluded from applying for a new program.

Application

Applications must be via the Smarty Grants online system. At least one grant round will be held during the financial year and grants will be advertised publicly for at least a four week period. The Grants are generally scheduled for release in September each year.

Approval

Grants recommended by the community panel shall be compiled into a report to Council, setting out the details of organisations recommended to receive funding, the amount of funding recommended and a brief description of the program, service or activity to be funded. Upon Council passing a resolution to provide funding to the organisations listed within the report, formal advice will be provided to all applicants (both successful and unsuccessful). Organisations who successfully obtained funding will be provided with a letter/agreement setting out any conditions specific to the funding, and will be provided with an acquittal form to complete at the end of the project and return to Council.

Accountability

Formal Accountability is required. The recipient organisation is required to:

1. complete an appraisal (acquittal) form from Council after the funds have been expended, with details of how the funds were spent;
2. include receipts for any equipment purchased where funds are approved for the purchase of equipment; the equipment is to be identified as an asset for the organisation;
3. supply copies of promotional materials and acknowledgement of Council's support.

b. AlburyCity Sport & Recreation Grants

Purpose

To provide funding to assist non-profit community organisations upgrade sport and recreational facilities within the Albury Local Government Area. These grants are generally for infrastructure projects; however, they can also be used to assist in the purchase of major items of equipment or with the development of business plans, forward planning documents or feasibility studies related to development of their sport or facilities.

Limit

There is no dollar limit applied to applications, although an overall program budget is set as part of the annual Operational Plan. Individual grants have generally averaged around \$4,000 with the majority of applications being under \$20,000.

Criteria

1. At least 50% of the total cost of the project as assessed by Council will need to be provided by the applicant, either in cash, materials or labour/trade resources. A minimum of 25% of the total project cost must be a cash contribution from the applicant.
2. Applications involving retrospective funding, maintenance costs, running costs, administration equipment, furnishings, floor coverings and salaries will not be considered.
3. Council will consider applications for the purchase of major items of sports equipment.
4. Generally, **higher** priority will be given to projects:
 - a. where multipurpose or flexible usage is planned;
 - b. which will be used by and are accessible to a wide cross section of the community;
 - c. which are developed in response to expressed or obvious local recreation needs;
 - d. which are supported by Council and the community;

- e. Where work can be completed within twelve (12) months of allocation (unless a staged program)
 - f. Where the applicant has demonstrated:
 - i. Their long term viability through either consistent historical use of a facility, a long term tenancy arrangement or where a long term management plan is in place.
 - ii. The organisation is able to demonstrate sound financial management and record keeping.
 - g. Where the applicant has demonstrated significant community development initiatives such as being a Good Sports club.
5. Generally, grant applications will receive a **lower** priority if:
- a. The project is for a private facility.
 - b. The project is of a commercial nature.
 - c. The project is associated with licensed premises.
6. Where applicable, the governing body of the applicant should provide a written endorsement of the application. Where applications are received by multiple clubs or organisations from within a single governing body, that governing body may be required to advise Council of their priorities in respect of those applications.
7. The organisation will undertake to complete the project or a discrete stage of the project within the designated financial year.
8. The organisation understands that funds will be made available following completion of stages, or after the project has been completed. The applicant will be required to pay all invoices for the project and forward them to AlburyCity with proof of payment prior to AlburyCity forwarding a cheque for the grant. Payments will not be made to contractors.
9. If the project is to be completed in stages, details of the stages are to be provided. All work will be subject to supervision by Council's senior officers.
10. Applicant organisations must be incorporated.
11. Should a Development Application and/or Construction Certificate be required, the applicant will be responsible for completing these obligations. Associated fees typically charged by AlburyCity for the Development Application and/or Construction Certificate can be waived under the *Waiving of Fees for Development Applications/Construction Certificates Policy*. It is not a requirement to have submitted a Development Application prior to the grant application however the applicant should be aware of the requirements of doing so prior to submission.
12. Organisations in arrears with their financial obligations to AlburyCity will not be eligible.
13. Organisations that have a current agreed loan repayment schedule relating to funding for a previous project and have met all payment schedules are not precluded from applying for a new project.

Application

Applications must be submitted through the online Smarty Grants system. This grant program is currently scheduled to be released once each year. In circumstances where there is a substantial amount of funding still available, a second round of grants may be held.

Approval

All applications will be assessed by AlburyCity staff for their eligibility and quality of application with recommendations made to the Sports Albury advisory committee. Sports Albury will assess the applications and make recommendations to Council. The final decision on the grant applications will be made by the full Council. Applicants will be formally notified following this meeting.

Accountability

Following notification of a successful grant application, the applicant must formally accept the grant and conditions of the grant in writing.

The applicant will be responsible for undertaking the project in accordance with the conditions of the grant.

Following completion of the project, the applicant must provide written confirmation that the project has been completed in accordance with the conditions of the grant. Evidence of all expenses incurred must be included along with a request for the payment of the grant awarded.

Following confirmation from AlburyCity staff that the project has been completed, a cheque will be forwarded to the applicant.

c. AlburyCity Community Fund

Purpose

To provide a mechanism to support larger infrastructure community projects within the city. Support may be provided via financial assistance, interest free loans up to 10 years, in-kind assistance or a combination of these.

Limit

There is no limit that applies to an individual application. The overall budget for the AlburyCity Community Fund is nominated in each annual Operational Plan. Internally restricted reserves will be maintained for AlburyCity Community Fund resources not expended from the budget in a particular year and for repayments of loans. The reserve may be used in a particular year as contribution to the annual Operational Plan AlburyCity Community Fund budget.

Application

The applicant should apply in writing following initial discussion with Council Officers. The following details should accompany the application; how the project links to the Community Strategic Plan, *Albury 2030*, and other Council Strategies, the scope of works and associated plans and specifications, quotations in respect to these works, details of the organisation's financial contribution to the project (both financial and in-kind), details of any other funding received for the project, details of the organisation's ability to manage the project and a current copy of the organisation's financial operating statement and future cash flow.

The applicant must be incorporated or a registered legal entity and is not acting for private gain. The project must meet a community need. The organisation must initiate discussions with AlburyCity staff prior to submitting a formal application.

Criteria

- a. A significant portion of the total cost of the project, as assessed by Council, will need to be provided by the applicant. This is to be primarily in cash, and may be complemented by materials or labour/trade resources.
- b. Applications involving retrospective funding, maintenance costs, operational costs, administration, equipment, fittings and salaries will not be considered.
- c. Generally, **higher** priority will be given to projects:
 - i. where multipurpose or flexible usage is planned;
 - ii. which will be used by and are accessible to a wide cross section of the community;
 - iii. which are developed in response to identified and documented local / regional needs for example; governing body support, master plans, management plans, business plans;
 - iv. which are supported by Council and the community; and
 - v. where work can be completed within 12 months of allocation (unless a staged program is approved).
 - vi. Where the applicant has:
 1. demonstrated their long term viability through either consistent historical use of a facility, a long term tenancy arrangement or where a long term management plan is in place;
 2. demonstrated sound financial management and record keeping;
 3. provided forecasted cash flows and current cash reserves; and
 4. confirmed other funding received or being sought.
- d. Where applicable, the governing body / peak body of the applicant or other confirmed funding partners should provide a written endorsement of the application. Where applications are received by multiple clubs or organisations from within a single governing body, that governing body may be required to advise Council of their priorities in respect of those applications.

- e. The organisation will undertake to complete the project or a discrete stage of the project within the designated financial year.
- f. If the project is to be completed in stages, details are to be provided for approval by Council. All work will be subject to supervision by Council's senior officers.
- g. Council will appoint an internal liaison officer for the project. Council may appoint an overseeing project manager after an assessment of the organisation's capacity to complete the project. Council may elect to nominate these project manager costs as part of the total Council contribution to the project.
- h. Should a Development Application and/or Construction Certificate be required, the applicant will be responsible for completing these obligations. Associated fees typically charged by AlburyCity for the Development Application and/or Construction Certificate can be waived under the *Waiving of Fees for Development Applications/Construction Certificates Policy*. It is not a requirement to have submitted a Development Application prior to the grant application however the applicant should be aware of the requirements of doing so prior to submission.
- i. Organisations in arrears with their financial obligations to AlburyCity will not be eligible.
- j. Organisations that have a current agreed loan repayment schedule regarding a previous project and have met all payment schedules are not precluded from applying through the AlburyCity Community Fund for a new project.

Approval

Council approves projects for the AlburyCity Community Fund every year as part of the annual budget process. Approved projects are included in the Operational Plan. This process is included in the AlburyCity Community Fund Loan Procedure.

The AlburyCity liaison officer or project manager will verify and annotate creditor claims for works done and certify payment is able to be made to the value of those works. This action is only to be taken after certification of work satisfaction and payment authorisation by the AlburyCity Community Fund recipient. These payments will equate to progress payments against the total Council commitment.

Accountability

In the case of interest free loans, a formal contract provided by Council must be signed with an accompanying repayment schedule prior to the release of the funds. The process is outlined in the AlburyCity Community Fund Loan Procedure.

A separate deed of agreement and / or project management agreement will be required if the asset is not on AlburyCity land and/or at Council's discretion following a risk management assessment including the value of the financial assistance. Insurance requirements will also be specified.

The recipient organisation is required to provide a report at the completion of the project outlining how the money was spent.

The project may be assessed by Council as being a Public Private Partnership (PPP). PPPs must comply with the process and approvals set out in the Local Government Act 1993 and associated regulations and require considerable administration and probity processes.

d. Annual Contribution Program accompanied by Service Level Agreements

Purpose

Service Agreements have historically been in place and continue to be approved each year by Council for organisations to provide various cultural and or community services and programs as a result of the annual financial assistance provided by Council. These agreements provide a number of conditions which relate to how the funded organisation is to use the donated funds, as well as the reporting processes that must be met by the funded organisation and the outcomes which are achieved through the funding program.

Limit

There is no limit to the amount of an individual annual contribution. The Donations and Sponsorships budget Schedule forms part of the approved annual Operational Plan. Community Centres support is included in the Operational budgets for the Community Development function.

Application

Eligible organisations make presentation to Council early in the calendar year for the upcoming financial year or other funding period. The presentation is to include the role/function of the organisation; the overall budget of the organisation, other funding sources which the organisation relies upon, any shortfalls in the budget and how Council funding will address this shortfall, the community need for this program or service; and information on how Council funding (if applicable) has been used in the past.

Organisations in arrears with their financial obligations to AlburyCity will not be eligible.

Approval

Council grants approval for applications based on how the applicant addresses the needs outlined in the Community Strategic Plan, *Albury 2030*, other council strategies such as the Social Plan and through a community needs analysis.

Accountability

Relevant officers within Council are assigned as the conduit for the dispersal and acquittal of funds. Each officer maintains these relationships with differing requirements, but records and documents in TRIM how the financial assistance provided by Council is used, the community needs which are addressed by the funded organisation and any other outcomes which are achieved by the funded organisation.

e. Recurrent Financial Assistance

Purpose

To provide recurrent financial assistance through the annual budget and Operational Plan.

Scope and limit

The assistance can be financial or in-kind. This form of assistance includes the annual scholarship programs approved by Council, the annual Donations and Sponsorships schedule adopted as part of the Operational Plan, subsidised lease payments for community groups leasing Council facilities, and the free entry to the landfill for approved registered charities and community groups.

Application

Applications seeking financial or in-kind assistance must be made in writing to the General Manager and may be made at any time of the year.

Applications for events sponsorship assistance will be made to the Events Team Leader. Organisations in arrears with their financial obligations to AlburyCity will not be eligible.

Approval

Requests for recurrent donations and events sponsorship support are reported to Council as part of the annual budget process.

The establishment of a new scholarship is approved by Council. Recipients are selected through an approved selection process.

Registered Charity and Community Group applications for free entry to the landfill must be approved by the General Manager, in consultation with the relevant Director and Group/Team Leader. Community Groups must provide the following information in their application: purpose of the program, estimated volume of waste and proposed frequency of visits.

Community Groups seeking subsidised fees for occupying Council facilities must provide a written request to the General Manager including the justification, benefits to the community and Council, and appropriate financial records. Successful applicants will be required to enter into a legal agreement such as lease or licence for a fixed term. The minimum fee that would be charged, known as “peppercorn rate”, is based on the Crown Land lease fee set by the NSW Lands Department. A higher rate may be appropriate. Each application would be assessed on its merits. The group must pay for the registration of the lease and proportionate costs for legal fees relating to preparation of documentation. The group may be required to pay for outgoings and cost of services.

Accountability by the recipient organisation

The recipient must meet all the legal obligations of the hirers, lease/licence or service agreements, and use the funds for the purposes for which they were provided.

Record Keeping

Council maintains a Lease Register. Lessees will be invoiced in accordance with the terms of the lease.

f. One off Community Donations & Support

Purpose

To provide one off donations for specific requests that arise during the year and are outside the guidelines of Council’s grant programs, recurrent donations programs and the AlburyCity Community Fund Program. This includes events sponsorship assistance.

Scope and limit

The assistance can be financial or in-kind. The community service obligations assistance budget will be set as part of the annual Operational Plan within each relevant team’s operational budgets and the Events sponsorship budget. Donations of up to \$500 may be made from the annual Mayoral Donation Fund.

Application

Applications seeking financial assistance must be made in writing to the General Manager and may be made at any time of the year.

Applications for events sponsorship assistance will be made to the Events Team Leader and approved by the Management Executive (as per the Events Sponsorship Procedure).

Organisations in arrears with their financial obligations to AlburyCity will not be eligible.

Approval

Requests for one-off financial donations are appraised by the General Manager in consultation with Council staff in accordance with the **Part 5b** of this policy.

The request may be appropriate for consideration under the Mayoral Donation Fund (up to a maximum amount of \$500).

For all other requests, a report is prepared for Council to approve the recommendations for funding. The report may form part of the annual budget documentation to Council or may be an individual Council agenda item.

Requests for in-kind assistance will be assessed by the relevant Team Leader taking into account their approved community activities budget and recommendations made to the relevant Director.

Accountability by the recipient organisation

The recipient organisation must complete the standard acquittal form or comply with the deed particulars if relevant.

Record Keeping

To be listed on Council's financial assistance records following the processing of a payment, internal cost record or the raising of an invoice and accompanying credit note.

Events Sponsorship will be recorded in Trim, included in the Annual Report and reported to the Council through the weekly Communique when the event is held.

g. Assistance to recipients who act for private gain.

If the assistance is not in a specific assistance program approved by Council, or has not been included in the Council's annual Operational Plan, or exceeds 5 percent of the Council's proposed income from the ordinary rates levied for that year or does not apply to a significant group of persons in the area, then at least 28 days public notice of the Council's proposal to pass the resolution to assist is required prior to approval by Council.

6. RESPONSIBILITIES

- a. The Finance Group Leader will provide a financial system that is able to record all relevant financial transactions in Council's finance system to enable monthly reconciliation and reporting of the financial assistance to the management executive.
- b. Officers responsible for administering the funding or donation will:
 - Make decisions in accordance with this policy;
 - Work within their approved delegation;
 - Record all correspondence and other relevant material in TRIM, Council's Records Management System; and
 - Record all transactions in accordance with the Financial Assistance Record Keeping Procedure. These transactions ensure all parties are aware of the monetary value of the assistance.
- c. The Corporate Planner will ensure Council's Annual Report documents Council's financial assistance activity for the year.
- d. The Smarty Grants Software package is being trialled to assist in recording organisations that have received funding through the Community and Cultural Grants Program and the Sports Grant program. This will record those organisations that have acquitted the financial contribution provided by Council, recipients who have returned the financial contribution to Council and any conditions Council has attached to the recipient receiving the financial contribution or in-kind support.

7. AUTHORISATION

Status	Manex	9 July 2013
	Committee	Finance and Administration Committee – 16 September 2013.
	Council	23 September 2013
Owner	Corporate Services	
Compliance	Mandatory	
History	New Policy and accompanying Financial Assistance Policy Accounting Procedure and AlburyCity Community Fund Loan Procedure.	
Register	Financial Assistance Policy Accounting Procedure (Internal) AlburyCity Community Fund Loan Procedure (Internal) Procedures included in the AlburyCity Internal Policy Register Policy included in the AlburyCity Public Policy Register.	
Last issued 19 September 2013		Review 9 July 2017
TRIM REFERENCE DOC12/78834		