

CITY OF MELBOURNE

Community Funding Policy

2013 - 2017

Introduction

The City of Melbourne is a dynamic and vibrant place, home to 93,617 people¹ and hundreds of community organisations, all striving to make Melbourne a great place to be. Council recognises that the local not for profit community sector plays a critical role in empowering people to have an active role in shaping their own future and achieving their aspirations.

Policy purpose

The Community Funding Policy outlines how the City of Melbourne provides funding to not for profit community organisations whose work in the community enriches the municipality and aligns with the outcomes City of Melbourne aims to achieve.

Context - community funding and delivery structure

The community funding and delivery structure provides the operating framework used by the City of Melbourne in order to fund and deliver its services and outcomes. The structure has four streams:

- **Direct service provision** - services that are delivered directly by City of Melbourne staff (e.g. libraries, City of Melbourne operated children's centres).
- **Contracted procurement** - (as defined in section 186 of the Local Government Act). This relates to services and goods that City of Melbourne has contracted to another organisation to provide on its behalf (e.g. syringe disposal, home care services). It includes services where Council has a legislative or contractual responsibility to deliver but where Council has decided to engage a third party, or for services Council has determined are part of their core business. Contract arrangements allow for specificity in the type of service purchased.
- **Long Term Funding** - multiple year funding agreements for the provision of community programs that are not part of Council's core business but support the Council Plan. They can include community determined programs and activities that respond to Council determined outcomes or to identified strategic partnerships that support Council Plan.

Long term funding responds to development outcomes that may require extended time frames to be achieved and longer term operation to maximise community engagement. They are informed by a strong evidence base of need. These types of agreements do not have the same level of specificity as contracts however must be accountable, transparent and equitable in their allocation.

- **Annual funding** - for community determined programs and activities that respond to Council determined outcomes and are informed by an evidence base of need. They are time limited and project-based activities undertaken over a 12 month period and are valuable for testing and piloting new ideas. Programs and activities funded under this program generate participation and have an impact on short term immediate outcomes.

Services, programs and activities may shift across streams within this structure over time.

Definitions

In the context of the Community Funding Policy, the following definitions are applied:

Grant: a sum of money provided to an organisation or individual following a competitive, open and transparent application process. The grant is given to deliver community determined programs and activities that achieve particular outcomes supported by City of Melbourne. The programs that come under the umbrella of the community funding policy provide grants, not sponsorship. Whilst there is the requirement for all grant recipients to include City of Melbourne branding on their promotional materials, this is not the primary purpose of grants and is therefore not considered sponsorship.

¹ Source – Australian Bureau of Statistics – Census 2011

Strategic partnership: A partnership that has been entered into between Council and a community organisation so they can work collaboratively to achieve common outcomes. Strategic Partnerships include the provision of a sum of money to deliver on an idea or initiative that will improve people’s quality of life and aligns with Council strategic priorities.

Sponsorship: providing goods, services, money or in kind (e.g. fee waiver) contribution to an entity in return for commercial leverage, promotion, activation or exposure by another entity to achieve defined objectives.

In kind: a situation whereby the provider facilitates the grant or sponsorship funding in other than a cash payment, for example fee waiver for use of public space. The Community Use of Town Hall Scheme is an in kind contribution with the City of Melbourne making a payment on behalf of the successful applicant.

Not for profit: an entity that does not return profits or surplus to members, owners, directors or committees and is not primarily guided by commercial goals. Any funds raised or profits made within a not for profit community organisation are held and/or invested back into the organisation.

Community organisation: Not for profit organisations and groups that encompass a wide range of activities, programs and services aimed at improving people’s quality of life. The community sector varies significantly in size and can range from small volunteer run and locally based groups to large national organisations with many staff (also known as community sector, not for profit organisations, the third sector, civic sector, community service sector, community service providers). The funding programs outlined within the Community Funding Policy only fund schools and not for profit community organisations that are legal entities.

Policy context

All councils have a responsibility to *improve the overall quality of life of people in the local community* and have a role in *fostering community cohesion and encouraging active participation in civic life*².

The City of Melbourne is guided by the Future Melbourne Community Plan. Future Melbourne has a vision for a bold, inspirational and sustainable city and it provides the overarching structure for the Council Plan.

The Council Plan is adopted by each new Council and sets the priorities for their term at Council. Council’s strategic documents provide more detailed response on Council’s priorities and how it is the Council will deliver the Council Plan.

The Community Funding Policy outlines how it is that community organisations may be funded to deliver on common quality of life outcomes.

Funding objectives

In providing funding to not for profit community organisations, Council aims to achieve the following objectives:

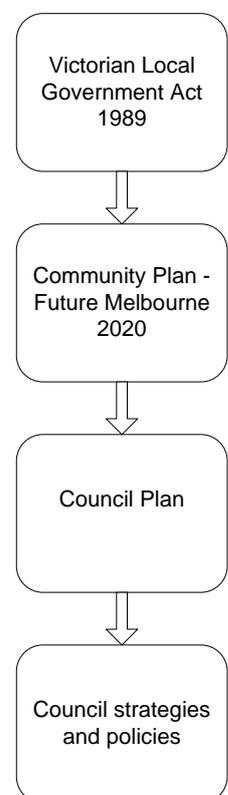
- provide a mechanism that allows Council to work with community to support shared outcomes
- provide the opportunity for community to identify and respond to local issues, concerns and priorities that link with Council priorities
- build community capacity and empower the community to take an active role in improving their quality of life
- foster community involvement and participation
- provide a cost effective means to deliver community outcomes.

Principles

The Community Funding Policy has a focus on the people of the City of Melbourne. Community strengthening principles underpin the approach taken to grant making. These principles guide both how we work with the community and the projects that will be prioritised for funding.

These principles include:

- asset based thinking and building on the strengths that exist within community



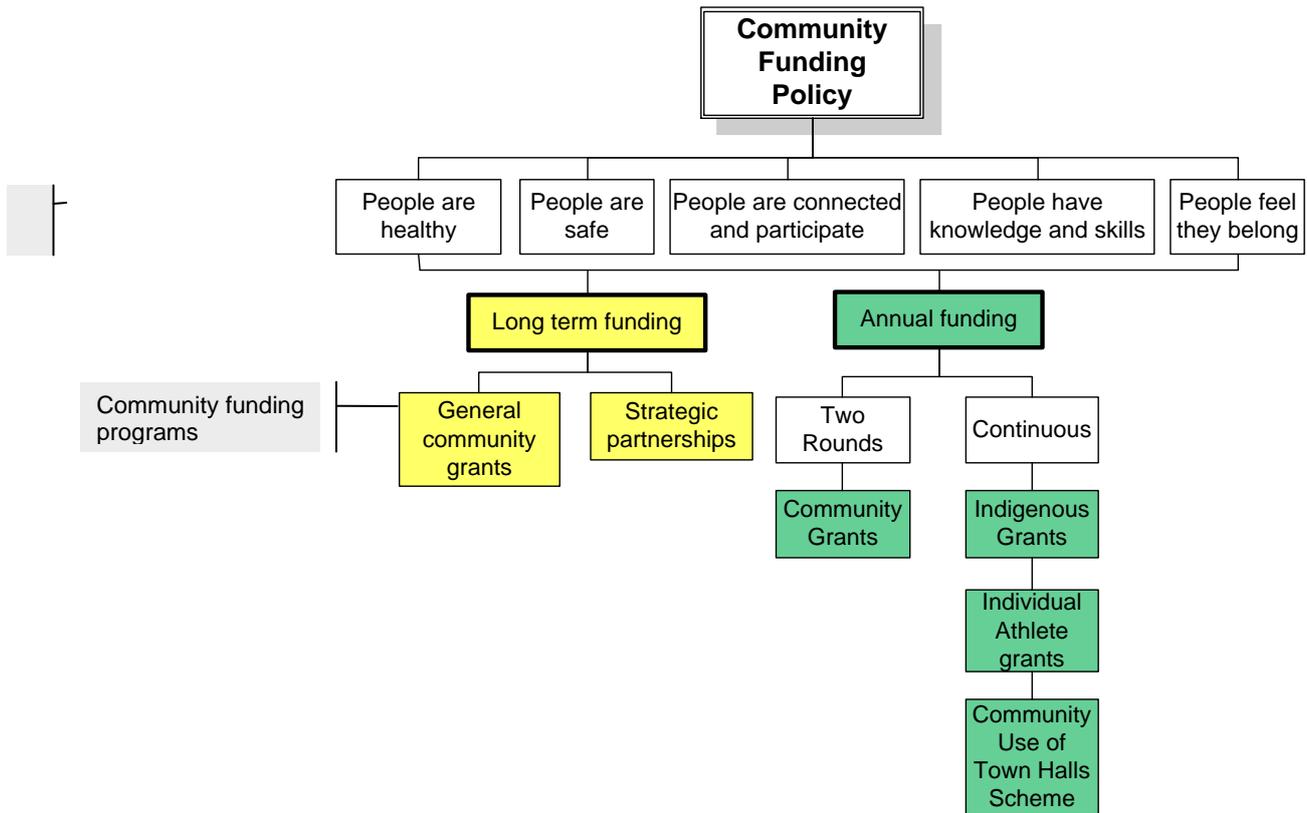
² As outlined in the Victorian Local Government Act 1989

- evidence based approach that acknowledges the needs and aspirations of our community
- access and equity to ensure a socially inclusive community
- collaborations and partnerships
- valuing the social, economic and environmental sustainability of our City.

In addition, Council is committed to the principles of:

- efficient and effective delivery of the program
- transparency and accountability in decision making.

Community funding model



Community funding outcomes

Aim: To contribute towards Council's vision for the City, the community grants provide funding to not for profit community organisations and schools to improve people's quality of life. Community grants have a focus on local and / or vulnerable people. Council will consider proposals that can contribute to the following broad outcomes:

People are healthy: Relates to people's physical and mental health and wellbeing and to increasing opportunities for physical activity.

People are safe: Relates to people's perceptions of feeling safe within their community and their knowledge of how to reduce personal injury and harm.

People are connected and participate: Relates to people's connections to their community. Community often relates to geographic locations but can also relate to family networks, support networks, people with common or shared beliefs, values, friendships, interests and activities. Participation relates to people volunteering, participating in civic life, being engaged in decisions and involved in planning, developing and delivering solutions.

People have knowledge and skills: Relates to people having the opportunity for life long learning and gaining the knowledge and skills required to participate in education, employment and their community.

People feel they belong: Relates to people having the opportunity to freely express and celebrate who they are, regardless of culture or identity. People feel they belong and have an understanding of other people, their culture and identify.

Whilst the grants aim to improve the quality of life of all people, priority is placed on proposals that:

- target sectors of the community that face barriers and are excluded from participating
- focus on addressing disadvantage.

Community Funding Programs

The specific conditions and processes of each community funding program are outlined within the respective program guidelines that sit alongside this policy and are stand alone documents.

Eligibility criteria

To be eligible for funding within the Community Funding Policy, organisations must meet the following criteria:

- Organisations must be:
 - a not-for-profit constituted body such as an incorporated association, or
 - sponsored or auspiced by a not-for-profit organisation, or
 - a school.
- Organisations must be located within, or offer a project within, the City of Melbourne municipality.
- Organisations must have fully acquitted previous completed applications and have no outstanding debts to the City of Melbourne.

A single project, event, activity or program will only be considered for one City of Melbourne grant program at a time. Applications must have a focus on local and / or vulnerable communities.

Long Term Funding

Long term funding has two mechanisms that allow Council to provide funding to community organisations and schools either via a competitive or a non-competitive process. A description of the characteristics of each mechanism follows.

General community grants

- A competitive application process to fund community organisations to deliver community identified initiatives.
- These initiatives support Community Funding Outcomes and may support Council strategic documents.
- General community grants have an impact on long term development outcomes and are informed by a strong evidence base of need.
- Minimum funding of \$20,000 per year with no maximum per year.
- The term of general community grants is two years with the option to extend a further two years, subject to compliance with requirements.
- Organisations are eligible to apply for one general community grant.
- Wherever possible, City of Melbourne will be a co-funder of initiatives, in order to foster sustainability, non-dependency and to demonstrate organisational viability.
- General community grant recipients enter into a Community Funding Agreement (CFA) with Council. The CFA will outline quarterly reporting requirements and a mutually agreed evaluation framework that focusses on performance and outcome measures.
- CFAs have consistent financial year time frames, with no new CFAs to be entered into at different times.

- Decisions are made in a confidential Council meeting due to the competitive nature of applications, though to ensure transparency, final decisions on successful applicants are made public on the City of Melbourne website.

More detailed and specific information about Long Term Funding – general community grants, including the processes and timelines are outlined in the Long Term Funding Guidelines.

Strategic Partnerships

- Non-competitive process to fund community organisations to deliver Council identified initiatives.
- These initiatives align with Community Funding Outcomes and to Council's strategic documents.
- The partnerships are with sole providers or management identified strategic partners that Council is able to work with collaboratively to deliver community outcomes.
- Council has no direct responsibility to deliver these initiatives. Strategic partners are identified to leverage opportunities to meet community needs and deliver on outcomes identified in Council strategic documents.
- Strategic partnerships are negotiated by management and approved by Council through the annual budget and planning processes with transparent decisions made in open Council and published on website.
- Strategic Partnerships have consistent reporting and contractual agreements. Recipients are required to enter into a CFA with Council that outlines quarterly reporting requirements and a mutually agreed evaluation framework that focusses on performance and outcome measures.
- Recommendations on the term of the CFA for strategic partnerships will be made by management, taking into consideration the time required to have an impact on outcomes and the term of the strategic documents to which they align.
- Strategic Partnerships can be both opportunistic and responsive to partnership requests or deliberate and in response to Council strategic documents.

Annual Funding

Annual funding has two types of programs - programs that are continuously open all year and a program that has two rounds per year. The Community Grants program has two rounds and a broad focus and reach. The continuous programs are open all year, primarily to meet the needs of specific sectors of the community and to provide timely responses to applicants. A description of their characteristics is provided here, with the detailed and specific requirements of each program available within their program guidelines.

Annual Funding – two rounds:

Community Grants program

- Grants for time limited and project based activities that align to the community funding outcomes and are undertaken over a 12 month period.
- Funding is provided for calendar year programs with two funding rounds per year.
- There are three levels of funding:
 - Up to \$3000
 - Between \$3001 and \$10,000
 - Between \$10,001 and \$20,000
- Applications over \$10,000 are accepted in the first round only as the second round has a smaller budget and a shorter period of time to deliver projects.

Annual funding - continuous programs:

Indigenous grants

- Grants for projects that align to the community funding outcomes and target the needs of Aboriginal and Torres Strait Islander people.
- Funding of up to \$10,000 per application.

- Program is open all year for submissions, or until funding for that financial year has been allocated.
- Applications requesting more than \$10,000 will be considered via the first round of the Community Grants program.

Individual Athlete grants

- Grants for individual athletes representing their club or organisation in international competitions.
- Athletes are required to play, train or compete 60 per cent of their time in the City of Melbourne or be residents of the City of Melbourne.
- Up to \$2000 is available for costs associated with training and competitions.
- Open all year for submissions, or until all funding that financial year has been allocated.

Community Use of Town Hall Scheme (CUTHS)

- Support for not for profit community organisations to hold one off or special events that align with the community funding outcomes within Council’s civic spaces.
- Civic spaces include the Melbourne Town Hall, North Melbourne Town Hall and the Meat Market.
- In kind contribution to community organisations to the maximum value of \$6000 per financial year, primarily to cover hire costs.
- CUTHS does not cover the costs of catering for events.
- Open all year for submissions or until all the funding for that financial year has been allocated.

Assessment processes and decision making

Annual Community Grants and Long Term Funding - General Community Grants	Indigenous Grants	Community Use of Town Hall and Individual Athletes
<p>Applications received with preliminary sorting by staff for eligibility</p> <p>↓</p> <p>Council staff provide assessment advice to independent external assessment panel members on applications</p> <p>↓</p> <p>External panel members undertake assessment and make recommendations to Council</p> <p>↓</p> <p>Council make final decision</p>	<p>Applications received with preliminary sorting by staff for eligibility</p> <p>↓</p> <p>Council staff provide assessment advice to independent external assessment panel members on applications</p> <p>↓</p> <p>External panel members undertake assessment and make recommendations to Director, Community Development</p> <p>↓</p> <p>Director makes final decision</p> <p>↓</p> <p>Monthly briefing paper to Councillors on decisions made (or as required)</p>	<p>Applications received with sorting and assessment advice by staff</p> <p>↓</p> <p>Manager provides assessment recommendation to Director Community Development</p> <p>↓</p> <p>Director makes final decision</p> <p>↓</p> <p>Monthly briefing paper to Councillors on decisions made (or as required)</p>

The details of the assessment criteria are specific to each program and are detailed within the program’s guidelines.

General terms and conditions for successful applicants

Funding Agreements

Successful applicants will be required to execute a funding agreement that is appropriate and matches the level of funding provided. Agreements will detail conditions of funding including:

- the programs or activities that the organisation has agreed to provide
- the monitoring and reporting requirements
- the grant amount and payment schedule

The City of Melbourne will not provide successful applicants with funds until they have complied with all requirements, terms and conditions outlined in their funding agreements.

Performance management and evaluation

The evaluation and performance of each agreement will be measured against the Community Funding Outcomes and their associated measures. Funded organisations will reach agreement with the City of Melbourne on the appropriate collection and reporting of data against each of the agreed outcomes and measures.

This evaluation and reporting process is to be reasonable and commensurate with the purpose and amount of funding as well as the capacity of the organisation receiving the funding.

Managing performance and risk

The City of Melbourne is committed to building the capacity of not for profit community organisations. As such, the City of Melbourne adopts a developmental approach to risk management and performance issues.

The City of Melbourne will use monitoring and reporting arrangements to track the performance of organisations. Prevention and early intervention will be emphasised by building practical relationships with funded organisations to support them in the development of the skills and capacity to deliver programs. This approach aims to prevent performance challenges that could otherwise arise.

The City of Melbourne may take corrective action when performance monitoring and reporting indicate that the funded organisation is failing to achieve the requirements outlined in funding agreements.

Reporting and acquittals

The reporting and acquittal arrangements will be recorded in the funding agreements and will match the level of funding provided.

City of Melbourne's interest in reporting is directly linked to its requirement to report on how public funds are spent and whether funded organisations have achieved what the City of Melbourne aimed to achieve. Whilst the City of Melbourne is committed to minimising the administrative load on funded organisation, it is also committed to the collection of high quality and relevant data and communicating that back both to Council and to community.

An annual event hosted by the City of Melbourne is part of Council's reporting program and will highlight best practice, what has been achieved by the grants program and by the local community.

Policy evaluation

Twelve months after the expiration of this policy, the City of Melbourne will carry out an independent Community Funding Policy evaluation that will focus on:

- the effectiveness of the Community Funding Policy as a whole in achieving outputs and outcomes aligned with City of Melbourne priorities
- the effectiveness of the operational processes and arrangements of the Program, and
- the efficiency of City of Melbourne's management and administrative processes for the Program.

The results of this evaluation will be used by City of Melbourne to inform the implementation of the next Community Funding Policy.