



# Community Contributions Policy

25 June 2024- Attachment 9.3.2

# Policy Statement

The policy objective is to establish an equitable and transparent approach to allocating financial support by the Shire to the Denmark community. It seeks to replace historical ad-hoc arrangements with sustainable, long-term partnerships that provide certainty to community groups delivering essential services. The policy aims to outline a framework and set of arrangements for funding community groups, organisations, and individuals who:

- contribute positively to the community,
- enhance the capacity of community groups,
- promote public safety,
- bolster environmental sustainability,
- strengthen economic and social well-being,
- support collaborative efforts with neighbouring local governments,
- facilitate significant financial leveraging for initiatives outlined in the Strategic Community Plan and
- address service gaps in alignment with Council-endorsed strategies.

## Policy Scope

This policy specifies that financial contributions to businesses, community groups and clubs are allocated through one of four methods:

- Service Partnerships (Core)
- Service Partnerships (Discretionary)
- Grants
- Rates Exemptions

Contracts in which the Shire directly employs staff to deliver a service for a period are not considered service partnerships.

## Definitions

### **Core Service Partnerships**

Refer to arrangements where the Shire has a business or community requirement to provide a service and has made a workforce decision to engage with a partner to deliver this service. The Purchasing Policy must be met before awarding a Core Service Partnership.

### **Discretionary Service Partnerships**

Refer to arrangements where the Shire of Denmark has determined to step in and provide a service to the community beyond the essential functions of local government. These agreements are a forward commitment for up to three years. The Shire of Denmark can periodically review service partnerships to determine future partnership needs and assess the need for any new alliances as

part of the Corporate Business Planning process. The Purchasing Policy must be met before awarding a Discretionary Service Partnership.

### **Grants**

A grant is the Shire's financial contribution to support specific projects, initiatives, or activities. It is typically non-repayable and awarded based on criteria set by the Shire. Grant recipients must adhere to specific terms and conditions outlined by the Shire in the grant agreement, including reporting and acknowledgement requirements.

### **Rates Exemption**

Charitable organisations can seek an exemption under the Local Government Act 1995 (WA) that relieves qualifying nonprofit entities from the obligation to pay local government rates on their properties. To be eligible for this exemption, organisations must meet specific criteria outlined in the legislation, including being registered as a charitable or nonprofit entity with the Australian Charities and Not-for-profits Commission (ACNC) and demonstrating that their activities primarily serve charitable, religious, educational, or philanthropic purposes. The purpose of this exemption is to support the valuable contributions of these organisations to the community by alleviating their financial burden and facilitating their continued provision of essential services and programs.

## **Policy Principles**

### **1. Service Partnerships (Core and Discretionary) Administration**

The Shire CEO determines and agrees upon core service partnerships for up to four years as part of the Corporate Business Planning cycle. Service Partnerships are documented as legally binding service agreements or MOUs where no legal agreement is required and recorded in the Corporate Business Plan.

The factors considered by management in determining the value of discretionary partnerships are -

- Public safety where there is no alternate provider available in the community,
- Regional collaboration where if the Shire is to withdraw from the partnership, it would jeopardise the activity of other local governments,
- Significant financial leveraging can be achieved by an organisation that provides social or economic value to the community,
- There is a gap in the service, and the partnership would contribute to services in a Council-endorsed strategy,
- Broader social or economic benefits.

As a service partnership nears the conclusion of its agreed term, Shire officers will engage with the community group and key stakeholders to brief the Council as part of a formal evaluation process.

The Council will document the core and discretionary service partnerships it has committed to in the annual budget. This disclosure aims to inform the general community about the services the Council has deemed necessary within the local government's scope of responsibility.

## 2. Grants Administration

Grants are essential for community groups to access funding for projects, programs, and events they want to deliver to the local community. As a rule:

- Applicants are not guaranteed funding, and no applicant is guaranteed full funding,
- Previously funded initiatives cannot be guaranteed funding in subsequent years,
- The available funds remain subject to annual budget considerations,
- Applicants must address the relevant criteria in one of the funding categories,
- Assessment and approval will be done by the delegated officer, and applicants cannot bypass this process,
- An applicant may apply for one category of funding in each round,
- The Shire of Denmark does not generally intend to be the sole provider of financial support for the funded project or activity.

Typically, two grant rounds a year will be advertised to the community. In the first round, 50% of the total budget will be made available, and in the second round, any unused funds, plus the budget balance, will be available.

As part of the budget process, the Shire of Denmark will receive formal feedback from officers on the measurable outcomes achieved in the previous grant rounds and based on broad community feedback, determine whether the grants meet the community's needs.

Relevant officers assess applications and award funding using an assessment matrix based on principles outlined in this policy.

### Grant categories

Category	Outcome	Maximum application
Startup Grants	focus on new clubs or community groups looking to get established by purchasing equipment, undertaking training or coaching programs or establishing their club structure and governance. Groups would only access this program once and must demonstrate that they are addressing an unmet community need, have members, and have a space to operate from	\$1,000
Be Active Grants	connect the community by building a sense of belonging, commitment, and activation. Clubs and	\$5,000

	groups may seek to engage new members, provide new services, or reach out to address a social need in the community as part of this grant.	
Environmental Sustainability	focuses on activities that are supported through the Sustainability Strategy and Action Plan	\$5,000
Build Future Leaders	focuses on community groups seeking to build organisational sustainability by investing in leadership development, youth development programs, and governance training.	\$2,000
Equipment and Facilities Grant	focuses on community groups who need to upgrade critical equipment or infrastructure for their service to continue delivery. Some groups may use this program to request a contribution towards a CSRFF application or replace aging equipment with no identified alternative funding source.	\$10,000
Wellbeing Grants	are broad-ranging grants that primarily focus on improving the mental health and well-being of those most at risk in the community	\$5,000
Support through Donations	focuses on delivering community groups, charities and NFP organisations with a donation towards an identified need that addresses the local community's cultural, social, public welfare and human rights issues.	\$1,000

### 3. Rate Waivers

The Shire of Denmark holds a significant portfolio of assets available to community groups through Commercial (peppercorn) leases (Refer to Property Management Policy). The Shire of Denmark's contribution to issuing peppercorn leases to not-for-profit groups is recorded in the Annual Budget.

To support the activities of charitable groups in the community and to create an equitable and fair approach to the rating system for all community groups leasing Shire-owned facilities, the Council has determined to consider issuing an annual rates exemption to all not-for-profit groups leasing Shire facilities. The rate exemptions will be listed in the Annual Budget.

## Responsibilities

The Council will approve:

1. Discretionary Service Agreements over the value of \$50,000
2. The annual total budget for grants.
3. Annual rate waiver on community groups leasing Shire property.

The CEO will approve:

1. Discretionary Service Agreements up to the value of \$50,000.
2. All Core Service Agreements.
3. The grant assessment methodology and disbursement of grant funding.

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