

<b>Version Control and Objective ID</b>		Objective ID: A6291223
<b>Approved by Council on</b>		
<b>Date of Review</b>		

## 1. Statement

Ipswich City Council seeks to support the role of community organisations and recognise the significant role they play in developing and delivering community initiatives that benefit the residents of Ipswich and respond to identified community need.

This Councillor Discretionary Funds Policy provides for the allocation of annual funding for discretionary use by councillors for community purposes in accordance with the requirements of the *Local Government Act 2009* and the *Local Government Regulation 2012*.

## 2. Purpose and Principles

The purpose of this policy is to provide a framework which guides the administration of discretionary funding in a manner consistent with Council's Community Funding and Support Policy and corporate priorities; and complies with the *Local Government Act 2009* and the *Local Government Regulation 2012*.

This policy confirms Council's commitment to providing financial support to community organisations and ensures an equitable, open, transparent and accountable decision making process.

The following principles guide Council's administration of discretionary funding:

- Good governance – decision making is undertaken in the public interest, processes are effective and efficient and feedback and evaluation mechanisms ensure opportunities for improvement are identified and addressed.
- Transparency and fairness – processes are transparent, applications are assessed objectively against eligibility criteria and any conflicts of interest are addressed and declared.
- Access and equity – documents, resources and application forms are publically available, easy to access and understand, and provide all necessary information in a clear and concise manner.

## 3. Strategic Plan Links

This policy relates to Ipswich City Council's strategic plan, *Advance Ipswich*, specifically the following themes:

- Strengthening our local economy and building prosperity
- Managing growth and delivering key infrastructure
- Caring for the community
- Caring for the environment

- Listening, leading and financial management.

#### 4. Regulatory Authority

- *Local Government Act 2009*
- *Local Government Regulation 2012*
- *Right to Information Act 2009*
- *Public Records Act 2002*
- Advance Ipswich
- Corporate Plan 2017-2022

#### 5. Scope

This policy applies to all discretionary funding administered by Council.

This policy does not relate to other funding and support made available under any other policy or program of Council.

This policy applies to all councillors, council staff, contractors, and others that act on Council's behalf to ensure they work in accordance with the policy principles and the relevant legislation.

#### 6. Conflict of Interest Provisions

Conflicts of interest must be managed effectively to ensure decisions are conducted in a transparent manner.

Prior to considering discretionary funding applications in the SmartyGrants online funding management system, councillors are required to declare any potential conflicts of interest with an application.

Information related to potential conflicts of interest are recorded in SmartyGrants and the councillor is able to proceed with considering the discretionary funding application.

#### 7. Budget Allocation

The budget allocation for discretionary funding as described in the *Local Government Regulation 2012*, Section 201B (5) states:

In this section **-prescribed amount**, for a local government for a financial year, means 0.1% of the local government's revenue from general rates for the previous financial year.

In accordance with the *Local Government Regulation 2012*, Section 202 (1)(a):

- (1) A councillor may allocate the councillor's discretionary funds under this section in any of the following ways –
- (a) For capital works of the local government that are for a community purpose;
  - (b) To a community organisation for a community purpose
  - (c) For another community purpose

The maximum amount of funding available to an applicant community organisation for any one application is \$1,000.00 per Councillor.

While an application for discretionary funding may be made at any time during the year, funding will only be available while such funds set aside in Council's annual budget for this purpose remain unexpended.

In accordance with the *Local Government Regulation 2012*, a Councillor may allocate discretionary funds only in the financial year for which the funds are budgeted and must not allocate discretionary funds during the period starting on 1 January in the year a quadrennial election must be held and ending at the conclusion of the election.

## 8. Eligibility Criteria

Online applications for discretionary funding can be submitted via SmartyGrants at any time during the year. Council encourages applicants to apply at least 4 weeks before their project commences.

To be eligible for discretionary funding community organisations must:

- be committed to providing direct benefits to the residents of the City of Ipswich;
- be a not-for-profit community organisation and/or be an incorporated body under the Associations Incorporation Act;
- hold adequate public liability insurance to cover the staff, members and the general public as appropriate;
- have satisfactorily accounted to Council for the expenditure of any previous funding and have no outstanding debts with Council;
- have an adequate risk management plan in place (where considered relevant by Council); and
- operate within the Ipswich region or be able to demonstrate that the project or program will benefit residents of Ipswich.

The following will not be considered eligible for discretionary funding:

- Government agencies or departments of local, state or federal government; with the exception of schools for non-core curriculum activities;
- Individuals; and
- Businesses.

## 9. Eligible Projects/Initiatives

To be eligible for discretionary funding a project or initiative must:

- demonstrate a purpose that is in the public interest and for a purpose that benefits the community of Ipswich; and
- align with the priorities of Council's strategic plan, *Advance Ipswich*.

The following will not be eligible for discretionary funding:

- funding requests that are considered by Council to be the funding responsibility of other levels of government;
- applications for funding of the direct payment of cash, competition prizes, gifts or sponsorships to individuals or for the payment of personal expenses including those associated with personal travel and accommodation;

- project or initiatives that have already commenced or have been completed prior to Council approvals;
- Ongoing operational or recurrent costs and expenses of community organisations, such as printing, insurance, ongoing venue hire, salaries, rent etc;
- Projects or activities run by or involved with political or religious groups seeking to promote their core beliefs;
- Projects included in other council funding applications or which have received funding through another funding avenue of Council;
- Initiatives or activities whose funding is already sufficient to cover expected outlays;
- Initiatives or activities where the funding will be expended outside of the Ipswich Region or will not be for the benefit of Ipswich residents; and
- Applications which request funding for a project or program scheduled to occur later than 12 months beyond the time of funding approval.

#### **10. Conditions of Discretionary Funding**

All successful applicants will receive the approved discretionary funding from Council subject to the following terms and conditions:

- All discretionary funding must be expended within 12 months of funding approval;
- Discretionary funding must be acquitted within (4) weeks of project or expenditure completion;
- To ensure appropriate accountability by funding recipients with regard to the use of funding, all funding provided by Council will require a financial acquittal, outlining the use of the funds (including proof of expenditure, i.e. invoices or receipts) within four (4) weeks of the expenditure of the funds;
- Applicants must use funds for the purpose for which funding was awarded;
- If the funds are not fully spent, all remaining funds must be returned to Council;
- As noted in the Ethics Framework, successful applicants should note that any donation received is provided without expectation of reciprocated benefits. That is, no benefit is to be received in return for the provision of any donation (financial or otherwise) by Ipswich City Council.

#### **11. Application and Approval**

Applications for Councillor Discretionary Funds are submitted via an online application form. Information including the guidelines and the online application form is available on Council's website.

Eligible applications will be considered and approved at the discretion of the Mayor and Councillors via SmartyGrants, where all information related to funding approvals will be recorded.

If the total amount allocated by Councillors exceeds the amount requested by the applicant, the funding will be reduced to the amount requested, in proportion to the amounts allocated by contributing Councillors.

Approved discretionary funding will be made by electronic funds transfer to the organisation's nominated bank account as outlined in the application form.

## 12. Reporting Requirements

In accordance with the *Local Government Regulation 2012*, Council will publish an availability notice within 20 business days after adopting its budget for a financial year detailing its discretionary funding allocation.

Council will also maintain a record of all allocated discretionary funding and will publish this notice on Council's website, including the name of each organisation receiving funds and the amount and purpose of that funding. Discretionary funding allocations will also be reported in Council's Annual Report in accordance with the *Local Government Regulation 2012*.

## 13. Roles and Responsibilities

The following roles include the responsibilities listed below:

### **Councillors**

Councillors are responsible for approving discretionary funding expenditure and adhering to this policy, related procedures and legislative requirements.

### **Community, Cultural and Economic Development Department**

The Community Development Section is the primary administrator of Council's discretionary funding, managing the discretionary funding budget and ensuring compliance with legislative reporting and record keeping requirements.

### **Coordination and Performance Department**

The Executive Services Branch will manage the flow of communication between the Community Development Section and Councillors with regard to discretionary funding.

### **Corporate Services Department**

The Finance Branch is responsible for the payment of funds allocated under the Councillor Discretionary Funds Program.

## 14. Key Stakeholders

The following will be consulted during the review process for this policy:

- The Chief Executive Officer and General Managers
- Finance Branch Manager within the Corporate Services Department
- Community Development Manager within the Community, Cultural and Economic Development Department

- Executive Services Branch Manager within the Coordination and Performance Department

## 15. Monitoring and Evaluation

The effectiveness of this policy will be measured by:

- Compliance with relevant legislative requirements; and
- Audit reviews recognise good governance and compliance by Council in the administration of community funding and support.

## 16. Definitions

Acquittal	The process by which a recipient demonstrates in writing to the funding body that it has expended the funds in accordance with the terms and conditions of the funding agreement on completion of the activity or project.
Business	A person, partnership or organisation which is not a community organisation, and is engaged in a profit-seeking enterprise or activity
Community Organisation	An entity that carries out activities for a public purpose or an entity whose primary object is not directed at making a profit for distribution to shareholders or members
Community Purpose	A purpose that is in the public interest to residents of the City of Ipswich
Conflict of Interest	A conflict of interest exists when a reasonable person might perceive that a public official's personal interest could be favoured over their public duties, or where the personal interest may influence, or be seen to influence, their decisions or actions in the performance of their public duties. Conflict of interest may be actual, potential or perceived.
Councillors	All elected representatives including the Mayor
Discretionary Funding	The gifting of funds to an eligible community organisation to be spent for a community purpose. Discretionary funding is provided to an eligible organisation without expectation of reciprocated benefits
Funding	Funds provided by Council to an eligible entity to undertake a specific project.
Individual	A person, not a community organisation.
Organisation	An organisation may be either a Business or Community Organisation
Project/Initiative	A program, service, event, activity, equipment purchase or upgrade or other function for which an organisation or individual

	might seek assistance
SmartyGrants	The funding administration system used by council to manage funding and support programs, including the receipt and recording of applications.

**17. Policy Owner**

The General Manager (Community, Cultural and Economic Development) is the policy owner and the Community Development Section Manager is responsible for authoring and reviewing this policy.