

## CAPITAL FUNDING OF MAJOR EXTERNAL FACILITIES AND PROJECTS

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### PURPOSE

To define guidelines for considering requests from external organisations for capital funding of major facilities and projects within the City of Mitcham.

### DEFINITIONS

“External” – non-Council organisations, educational institutions, groups, sporting clubs, etc located or based within the City of Mitcham.

### PRINCIPLES

- Council may consider allocating funds to assist with projects that will enhance the quality of life of residents of the City of Mitcham and have a focus on health, recreation, social and community development, safety and security, environment, culture and history and are consistent with the goals objectives and strategies of Council’s Strategic Plan.
- Council recognises that recreational opportunities are provided by a variety of external providers within the City and that Council should carefully consider opportunities to work with those organisations in mutual efforts to provide for the recreational interests of all residents.
- Decisions are to be consistent with Council’s budget planning and resource allocation.
- Council recognises that shared funding/ management/ maintenance of major external facilities and projects:
  - Assists Council to maximise the development, range and use of recreational facilities that are otherwise beyond the capacity of Council’s own resources to provide.
  - Enables Council to influence the quality and variety of non-Council facilities and projects available for recreational use by residents.
  - Assists Council to maintain social inclusiveness and promote community access to facilities and services.
  - Enables Council to influence the community, environmental and economic sustainability of major facilities and projects.

### POLICY STATEMENT

Council will consider, within the guidelines set out in this policy, providing capital funding to major external facilities and projects within the City of Mitcham area.

Three categories for support will be considered:

- Grant funding
- Joint Use-Agreement

- Loan Guarantor

All applications for funding will be subject to Council's budgetary process.

**Eligible groups and organisations must:**

- Be incorporated and/or auspiced by an incorporated body
- Be non-profit
- Be able to contribute at least 50% of the costs of the project/facility monetarily or in-kind.

Applications will only be considered in respect of groups predominantly comprising residents of the City of Mitcham. The facility must be located within the City of Mitcham or the project based within the City.

Groups must have an established management structure that demonstrates they can responsibly manage grant funding as well as the management and maintenance of the project/facility, or work under the auspice of such a group.

**Preference will be given to:**

- Applications that will:
  - Benefit a wide range of people in the Mitcham community.
  - Widen the range of activities available in the community and encourage the inclusion of all groups within the community.
  - Meet or enable meeting the requirements of the Disability Discrimination Act.
  - Result in physical improvements including improvements to physical access and mobility and/or maintenance.
- Applications that can demonstrate that the activity or project will be ongoing in nature.
- Applications that can demonstrate the proposal will contribute to community, environmental and economic sustainability.
- Organisations which have sought funding from other sources.
- Organisations that can demonstrate financial viability and ongoing group support.
- Organisations or groups actively engaged in helping themselves and can demonstrate the capacity to contribute to the project with either in-kind or financial support.
- Organisations or groups that can demonstrate adequate Public Liability and Occupational Health and Safety risk management programs.

**Applications will not be considered for:**

- Funding individuals or commercial activities.
- The employment of staff.
- Services that are a core funding responsibility of either the State or Federal Government.
- Reimbursement of funds already spent. Council does not provide grant funds for activities that have already occurred or that will occur prior to notification of the outcome of the application.
- Proposals that will lead to a dependence on Council funds.
- Fundraising or general sponsorship.
- Disposable equipment/items of low cost and short life (eg sporting equipment).

**GRANT FUNDING**

Requests for funding will be considered against the following criteria:

- The extent to which the applicant has – or has access to:
  - The financial resources needed to fund the ongoing management and maintenance of the facility or project.
  - The capabilities necessary for effectively managing the facility or project.
- The degree to which the proposal accords with Council's Strategic Plan.
- The extent to which the proposal:
  - Supports provision of assets to meet community or local business needs.
  - Improves well-being and creates a strong sense of community.
  - Protects the environment, conserves resources and minimises waste.
- The extent to which the community has guaranteed access to the facility or project.
- Level of support required by Council in relation to the overall project cost and ongoing responsibilities.
- The extent of any ongoing Council support required from undertaking the project.
- The likelihood of the project not being undertaken if Council did not fund it.
- The extent to which the project duplicates an existing service or facility.
- The extent to which the service or facility is the responsibility of other organisations or tiers of Government.

## **FACILITY JOINT USE AGREEMENTS**

Council will consider entering into a Facility Joint Use Agreement where:

- There are significant ongoing operational benefits (including cost benefits) to Council and the general community to do so.
- It is necessary to adequately protect Council and the community's capital investment.
- The non-existence of such an agreement may put at risk the ongoing rights of public access to the facility for the purposes for which Council funded the facility.
- The parties can agree on an equitable apportionment of the costs of establishing and managing a Joint Use Agreement.
- The facility owner agrees that all parties to a Joint Use Agreement be consulted in any eventual decision to sell, demolish, or substantially alter the purpose of the funded facility.
- The parties are able to agree informally on basic joint use operations when joint use commences and that a legal agreement be finalised and signed within 12 months of Council funding towards the facility being approved. Where this has not occurred, a report on the reasons and recommended action is to be presented to Council.

Applications will be considered against the criteria for Grant Funding (above).

## **LOAN FUNDING**

In exceptional circumstances Council may consider supporting organisations or community groups by way of acting as guarantor for a loan borrowed from an approved financial institution subject to the Terms & Conditions acceptable by Council Administration, but only where Council is satisfied that:

- The proposed project accords with Council's Strategic Plan.
- The project has significant community benefit.
- The loan will be used predominantly for capital improvements.
- The organisation has provided an acceptable business plan that satisfactorily demonstrates their ability and capacity to manage and repay the loan.
- The loan is to be repaid within a period of no more than ten (10) years.
- The loan does not account for more than 50% of the overall project cost.
- The organisation or group is responsible for interest and principal repayments and all other associated costs and government duties incurred.

## PROCESS

Applications for funding will be considered throughout the year as raised by:

- Non-profit organisations
- Community groups; or
- Other tiers of Government.

Council will receive requests for assistance for the following financial year up to 31 December each year. Organisations or groups seeking funding will be required to put their request in writing to the Chief Executive Officer addressing the grant funding criteria.

Applications received will be reviewed by Council staff against the funding criteria. A report will be prepared for consideration by the relevant Council Committee.

## ACKNOWLEDGEMENT OF FUNDING

Council requires acknowledgement of its support for any project/service/activity for which funding is provided under any part of this policy. This should include one or a combination of the following:

- Acknowledgement of the Council's support on all printed materials related to the project or program.
- Opportunities for a representative of Council to speak at key activities.
- Inclusion of sponsor messages in any program or project related publicity.

## RESPONSIBLE POSITION/DEPARTMENT

Community Services, Corporate Services

## ADDITIONAL CROSS REFERENCES

Financial Management Policy 07.03 - Community Development Grants.

Financial Management Policy 07.23 – Sponsorship.

Property Management Policy 16.34 – Sport & Recreation/Community Facilities.

Community Development Grants Guidelines.

Community Development Grants Subcommittee Terms of Reference.

Delegations Manual.

## RELATIONSHIP TO STRATEGIC PLAN

Strategy 1.1.2     **Resource Sharing:** Pursue opportunities for cost effective sharing of resources, facilities and services

Objective 2.3     **Conservation of Natural Resources:** Ensure the sustainable management and efficient use of natural resources and energy

Strategy 3.4.4     **Recreation, Leisure and Sport:** Optimise the use of publicly accessible open space and facilities to achieve health, leisure, relaxation and physical activity benefits

Strategy 3.3.3 **Community Facilities and Services:** Provide or facilitate community access to a range of vibrant and well utilised government and non-government facilities and services

### POLICY REVIEW

This Policy will be subject to review every four (4) years or sooner at the discretion of the relevant General Manager.

The CEO has delegated authority to endorse any amendments to the Policy that do not vary the intent of the policy.

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VERSION	AUTHOR(S) POSITION	CHANGES	DATE
V1			
V2			
V3	Governance Officer	<p><b>Full Council Resolution 12 November 2019 Item 9.4 - Insert Policy Review provision stating:</b></p> <p>This Policy will be subject to review every four (4) years or sooner at the discretion of the relevant General Manager.</p> <p>The CEO has delegated authority to endorse any amendments to the Policy that do not vary the intent of the policy.</p>	12 November 2019