



TOWN OF
VICTORIA PARK



INTERNAL ENGAGEMENT 2018 & 2019



**WE'RE OPEN
VIC PARK**

1. Context

The Town recognises that a thriving and strong community includes diverse sporting and recreational groups, cultural and community service organisations and social enterprises, which support and contribute to the quality of life of individuals and the community as a whole.

In recognition of the above, the Town provides a range of community funding programs to not-for-profit organisations, community groups and eligible parties, which are currently managed under numerous policies.

2. Internal Engagement on umbrella Draft Community Funding Policy

This policy applies to any eligible party seeking funding from the Town through the following programs;

- Community grants program
- Donations
- Operating subsidies (including peppercorn leasing)
- Rebates
- Sponsorship

Meetings

- 7 November 2019 with Property Management team

Feedback- incorporate the peppercorn lease value into the operating subsidy

- 13 November 2019 with Operations Team and Chief Operations Officer

Feedback- the rental subsidy will need to be assessed against a sliding scale.

0%-----20%----40%-----60%-----80%-----100% of value charged

Thus, the applicant will need to demonstrate cost-benefit ratio which relates to social benefits and outcomes achieved at an individual and community level being greater than the cost of the operating subsidy. The funding recipient will be required to attribute a cost against the service delivery required to achieve the social benefits and outcomes.

The rental value may be worth \$40,000. The applicant demonstrates that it will deliver programs or services to the community valued at \$50,000 (staff resourcing etc), and will achieve individual and community outcomes of xyz, aligned to the SCP.

This will be accounted for in the Practice 114.4 Operating Subsidy Management Practice.

Email Correspondence

The revised 'umbrella' Community Funding Program was circulated internally to all Managers, C-suite and key officers on 12/11/19. The following feedback was received:

From	Funding Program	Feedback	Action
Grants & Donations Officer	Donations	Remove reference to local and regional community. Donations should be for local community only.	Actioned
Operations Service Area	Rebate	Residents are only eligible to apply for Adopt-a-verge once. Property Developers, Commercial or industrial parties are not eligible. Pre-existing landscaped verges are not eligible.	Could it be open to local residents on a bi or tri-annual basis? Included ineligibility
Property Management	Peppercorn lease	Remove Licence from the 'Peppercorn Lease' definition. This is to prevent confusion between a lease (exclusive use) and a licence (non-exclusive use).	Removed the term licence.
Manager Corporate Services	Overall	Minor typos, repetition in points 10, 19, 25. Others seems ok.	Actioned
Safer Neighbourhood Officer	Grants	Can organisations based outside of the Town, but operating within the Town apply for a funding? Is the aim to restrict funding only to organisations that are	Noted: discussion question for Councillors

	Rebates	<p>both based and deliver services within the Town?</p> <p>Should Street Meet n Greet, Security Incentive scheme and CCTV be a rebate program as applicants are required to pay upfront.</p>	Yes. Need to list this programs under rebates.
Place Planning	Community grants	<p>Comfortable with definitions and funding caps.</p> <p>Comfortable with individually tailored funding rounds.</p>	
Governance	General	<p>General feedback on policy structure/ formatting.</p> <p>Funding Caps: If you're looking to achieve flexibility the funding would be set in the annual budget and it might not even be capped on how much per organisation so that the pool could be split based upon like a 1st, 2nd, 3rd place grant model. Or one group need 50k for something great, while one only need 1k.</p> <p>However if Council wants to set limits then Council could consider that as part of the report as a suggestion. Either way mention it in the report with the</p>	<p>Noted</p> <p>Noted</p>

		argument of why/why not so that its been covered off.	
Communications and Marketing	Sponsorship	'Comfortable with the current Sponsorship Policy intent, definitions and principles. A management practice is required as this would assist the Town in simplifying, clarifying the application, approval and acquittal evaluation processes.'	Noted.

3. Feedback on original draft Operating Subsidy Policy (which has been incorporated in Community Funding Policy)

August 2018

Email circuited 15/8/18 to;

- Chiefs x4
- Managers (distribution list)
- Operations team- Coordinator Asset Management, Leasing,
- Community Development team;
- Governance Officer
- Library- Manager Library Services, Literacy and Learning Coordinator

Email Circulated on 27/8/18 (considered as internal engagement as the group worked on the policy)

- Connect Victoria Park
- Harold Hawthorne Centre
- Victoria Park Center for the Arts

Meetings

- Governance Officer 27/8/18

Notes from meetings and correspondence below.

Feedback summarized in the following table.


From	Feedback	Action(s)
<p>Manager Corporate Services.</p> <p>Manager Community- Q. would the Town be obligated or should it consider adding any CPI above and beyond Perth CPI All Groups?</p>	<p>The policy looks comprehensive and would meet our auditing requirements both from a financial perspective as well as meeting community expectations that Council money was expended appropriately with substantiation</p> <p>A. Manager Corporate Services' advised that he is unaware of any other objective criteria that improves on the Perth CPI.</p>	<ul style="list-style-type: none"> • Noted.
<p>Community Development- Access & Inclusion Officer</p>	<p>Include reference to a demonstration of also delivering the Town's DAIP strategy outcomes as they will be considered as an agent or contractor receiving funds to deliver Town objectives and services.</p>	<ul style="list-style-type: none"> • Noted and a reference has been included in the updated draft policy. • There will be programs or services which are exclusive- i.e for youth only.
<p>Community Development - Events Officer</p>	<p>Include reference to ABCD:</p> <p>a. To encourage community capacity building for local not-for-profit organisations by supporting them to</p>	<p>Noted and included in updated draft.</p>

	<p>deliver programs that demonstrate social impact</p> <p>b. demonstrated effort by the applicant to increase community capacity building opportunities and have positive social impact outcomes</p>	
Chief Financial Officer	<p>It is reasonable for the Town to increase the Operating Subsidy by the Perth CPI All Groups.</p> <p>The Town shouldn't align the CPI to wage increases- as CPI is an indication of the health of the economy only.</p> <p>Align the Perth CPI All Groups- March to March.</p> <p>The Town should not be responsible for wage increases of not-for-profits, as per State funding of not-for-profits.</p>	<ul style="list-style-type: none"> • Discussion point: Do we need to take into consideration the following? Not-For-Profits covered by the Social and Community Services Award 2010 need to apply annual CPI amount to wages which is released in July by CPI Perth (All Groups). The award rate is issued, which may be 3.5% increase. Then NFP have been subject to equal remuneration order which applies from 2012-2020 whereby staff who are considered community employees are eligible for an annual increase in Dec, which is on-top of the July increase. The increase is a sliding scale which is generally 2-5%. This is intended bring wages aligned with Gov wages. The Town's operating subsidy will not account for this.
Coordinator Strategic Assets	<p>The policy looks good.</p> <p>Will you develop a framework or application guide detailing what can be claimed?</p>	<ul style="list-style-type: none"> • Yes the following will be developed; <ul style="list-style-type: none"> A. Management practice B. Application form C. Acquittal and reporting framework/ template.
Chief Community Planner	<p>Buildings operated for not-for profit purposes do not pay rates.</p>	<ul style="list-style-type: none"> • Essentially we need to state that if a business is not physically based in the Town,

	<p>Q. Why couldn't a not-for-profit receive state and federal funding and a TVP operating subsidy?</p> <p>NOTE: Feedback from VPCA, HHC and Connect Vic Park. Questions- The applicant is seeking a subsidy to top-up a direct support or service delivery program which is funded through Commonwealth or State Government funding, with the exclusion of crisis support services; Very robust conversation. The argument that commonwealth and state funding is not sufficient. The Operating funding is high level and supports the organisation to operate. However the Town should not be responsible to top up Fed or State Funding which is insufficient. Or should it be if the service is being delivered within the Town and benefiting local residents.</p>	<p>then it should not receive an operating subsidy.</p> <ul style="list-style-type: none"> • Not-for-profits must apply for a rate exemption. <p>A. This is to prevent organisations seeking top-up funding due to mismanagement of Federal or State Gov funds- such as HACC, NDIS funding. Providing top-up funding would result in an unfair advantage, and would mask / prop -up an otherwise unsustainable organisation.</p> <p>The exclusion of Crisis support services would relate to Family and Domestic Violence, homelessness services etc. For example, women and children are currently being turned away from shelters due to lack of capacity.</p> <ul style="list-style-type: none"> •
<p>Manager Community- City of Belmont</p>	<p>Have you considered social enterprise where a profit may be made but it is redirected back into the business to create a social outcome?</p>	<ul style="list-style-type: none"> • Noted and included in the eligibility criteria.
<p>Manager Technical Services</p>	<p>Some comments for Item 16.3 for your consideration:</p> <p>Ineligibility f- needs to be assessed on a case by case basis. Process xi- max 4 year contract may not be financially viable or sufficient establishment time for certain clubs/activities. Xii- contract review may occur annually for improvements but not necessarily for termination purposes.</p>	<ul style="list-style-type: none"> • Noted
<p>Manager</p>	<p>A great Policy. Certainly a good idea for</p>	<ul style="list-style-type: none"> • Noted and changes made

<p>Community Development and Library Services City of Joondalup</p>	<p>accountability for both groups and the Town.</p> <p>May be better called a 'Service Delivery' subsidy? Operating to me implied it was for operating costs like utilities or rent and that seems not to be the case</p> <p>Key objective seems to be to ensure accountability of groups to deliver/report on agreed outcomes; and accountability of the TOVP to spend ratepayer money wisely and track progress through acquittals and KPI's</p> <p>ABCD- May need definition?</p> <p>Suggest check competitive neutrality to ensure TVP isn't acting to undercut commercial entities via the subsidy. I'm not exactly sure if this would apply given the Town is not directly supplying the service, but business may take issue with the Town. Not sure....</p> <p>http://ncp.ncc.gov.au/docs/Competition%20Principles%20Agreement,%2011%20April%201995%20as%20amended%202007.pdf</p> <p>How are bench mark standards determined?</p> <p>May need definition. Are self-help groups crisis support?</p> <p>Expenses like utilities, rent or maintenance seem like classic operational expenses that would be covered by an operational subsidy (?) I acknowledge this is a high level policy, but is there some need to address the amounts of subsidy, or write in that the amounts are determined on application?</p> <p>Will the Town call for applications publicly? Backdating may imply something unethical. Could it be switched to read "...it is at Council's</p>	<p>to policy</p>
---	--	------------------

	<p>discretion to accept applications post the submission date”</p> <p>Does Collaborative Partnerships need a definition?</p> <p>The applicant would probably view this as promoting financial vulnerability of the amount reduces.</p>	
<p>WALGA Policy Manager Community</p>	<p>Thanks for providing WALGA with the opportunity to review the Towns draft Operating Subsidy.</p> <p>In brief, the policy is fitting with several other policies of this type across the Local Government sector and ties well to the Town’s Community Strategic Plan. It is also consistent with ABCD approaches and other relevant community development frameworks. In reading the policy from a fresh perspective a few questions came to mind for your consideration:</p> <ul style="list-style-type: none"> . What is the legislative alignment is (state or Cwth legislation, LG Act 1995 (currently under review), Operating Subsidy Guidelines, Department of Treasury etc.) . How does the Town define a not-for-profit (i.e. any community group that is incorporate? Some LGs stipulate this must be more than say three people etc.). . Who is on the panel of assessments? <p>We would really like to commend the Town for maintaining best practice through the consistent review of policy and procedures and for acknowledging community groups through financial support.</p>	<ul style="list-style-type: none"> • Noted- Manager • community is reviewing • legislative alignment.

<p>VPCA, HHC, Connect Vic Park.</p>	<p>Recommendation to council- for it to be an Operating Subsidy.</p> <p>Operating Subsidy supports the purpose of the organisation- an operating subsidy automatically supports the delivery of services. As a service is the by product is the purpose.</p> <p>Service Delivery Subsidy supports the delivery of a service, such as a project or initiative. i.e 5 x yoga 6 x counselling service</p> <p>Are the Objectives clear: yes You can be sustainable, whilst receiving grants and sponsorship. It is not necessarily possible for organisations to be independent, and vice versa. The same orgs have cost disease, which are inherently required. Thus, the amount of resources required to do something will always remain the same, however costs will increase with CPI.</p> <p>Are the aims clear? Yes Should we add in consistency in approach towards operating subsidy. Consistency relates to the framework, i.e all have to report, acquit against KPIs.</p> <p>Is the eligibility criteria clear? Yes The applying party must be established and solvent. The Town can direct start-ups to innovation funds. 'Ignite'</p> <p>Demonstrated effort by the applicant to increase financial sustainability and efficiencies; change to.. Demonstrated sound financial management, including demonstrated effort to increase</p>	

financial sustainability and practices, and demonstrated capacity to report and acquit. It's really important that organisations can actually report and acquit. To be eligible to qualify for a large amount of rate payers money, there needs to be a high expectation by the Town on acquittals. This aligns to Cl6 for organisations to make the most of the money they are given.

New charitable act- new rules of association, what constitutes an associate. All to ensure that organisations have capacity.

Should social enterprises be eligible? yes

Is the ineligibility criteria clear? Yes

Rateable premises....this is difficult as we work in a age of mobile technology, hot desking. It does not have to be a requirement to be based in the Town. They could be based elsewhere, but operating within the Town. There has to be direct benefit for our community for the use of rat payers funds. For example Manner Inc operating from a rateable premise however delivered services outside of the Town. Must specify that services take place in Town.

The applicant is seeking a subsidy to top-up a direct support or service delivery program which is funded through Commonwealth or State Government funding, with the exclusion of crisis support services;

Very robust conversation. The argument that commonwealth and state funding is not sufficient. The Operating funding is high level and supports the organisation to operate. However the Town should not be responsible to top up Fed or State Funding which is insufficient. Or should it be if the service is being delivered within the Town and benefiting

local residents.

The applicant is seeking funds for utility services, insurance, rent, capital work items, pest control, or maintenance works. Capital works, pest control, maintenance to be dropped.

Keep utilities, insurance other than building, rent, etc in.

Should utility services be?

Yes utilities, no maintenance etc. see below.

Is there an appetite from Elected Members/ or a need by the broader community for Operating Subsidies? Yes, as the current funding is tight, numerous changes in human services funding. Funding cut from Culture and the Arts . no funding for general seniors. Youth at risk.

-

Should the Town advertise the Operating Subsidy when funds may not be available, or already tied up in funding agreements with existing not-for-profits? This raises the question of equitability. If it is not advertised, how is it equitable? Life in the Park, Community grants, sponsorship, operating subsidy process.

Should Admin administer the Operating subsidy program, based on Policy and Management practice approval by Council? This would negate the need to go to OCM.

Admin based on management practice, selection criteria, and budget allocation. Presented to a qualified panel.

Do you support 4 year funding with annual acquittal process, to allow for sufficient funding security? Can the LGA do this? Yes with funding subject to funding.



Should CPI (all Groups) apply, and should it be aligned to the March quarter? Needs to be CPI at a min. Need to have the ability to apply for the variation of funding, even if you have a four-year funding contract. i.e if you were hit with an unexpected cost? Is there a better measure than CIP all groups? Wages are an issue.

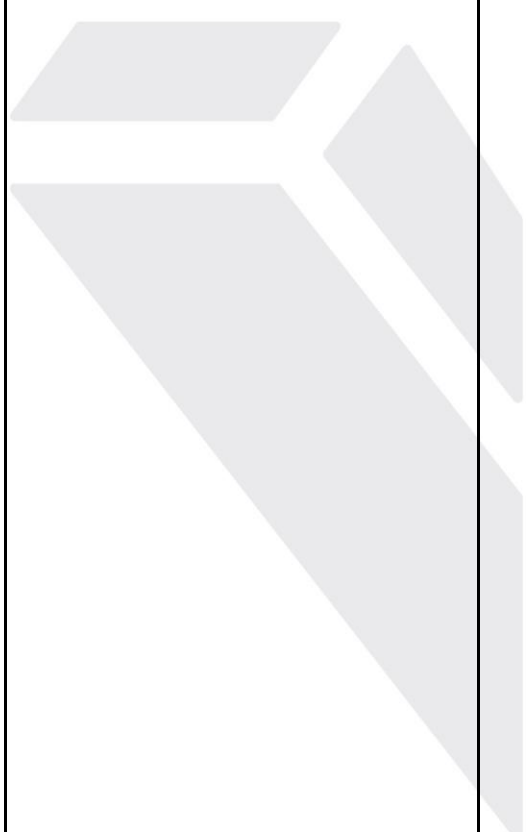
Should the option to decrease funding annually by a discretionary amount to incrementally reduce financial reliance, be applied? What would the impact be? This is very problematic for a variety of reasons. Is the decrease due to non-delivery? This would only apply to a start-up. An operating subsidy is recognition of certain services in a Town which have value at a cheaper cost than the Town can run them. For this to occur they need to be supported.

Should an organisation in receipt of an Operating subsidy be eligible for a Grant or sponsorship? yes

Should the operating subsidy be managed separately to the lease and licence agreement? Yes

How should the rollout of this new policy be managed, once adopted? For example are existing organisations exempt from having to apply if they are already reporting and acquitting?

Yes, but it needs to account for the reporting already underway.



--	--	--

