Management report to Council	**Agenda item 6.4**

Community Grants and Partnership Framework	**Council**

Presenter: Angela Meinke, Acting Manager Social Investment	**25 September 2018**

Purpose and background

1. The purpose of this report is to seek Council approval of the Community Grants and Partnership Framework (Framework) (Attachment 2), replacing the Community Funding Policy 2013-2017.

2. At the Future Melbourne Committee (FMC) meeting of 5 June 2018 a draft new Framework was presented. FMC resolved at that meeting to proceed with community and stakeholder engagement. This has now been completed and input from the engagement has been considered and incorporated where appropriate.

Key issues

3. Community and stakeholder engagement on the draft Framework was undertaken between 6 and 29 June 2018. Based on the feedback received (Attachments 3 and 4), several minor clarifying and editorial changes have been made, along with the following recommendations:

    3.1. Incorporation of Council's Ageing and Inclusion team's established Community Meals Subsidy program into the Connected Communities Grant program.

    3.2. Eligibility for Social Innovation Partnerships broadened to include certified B Corporations (for-profit companies, certified by the global non-profit B Lab, that meet verified standards of social and environmental performance, public transparency and legal accountability to balance profit and social purpose) seeking to deliver outcomes for communities within the City of Melbourne.

4. In accordance with the FMC resolution of 5 June 2018:

    4.1. core budget allocated to deliver the Framework in 2018-19 has been increased to $1,986,896, not including the addition of the Community Meals Subsidy program

    4.2. clarification has been included in the Framework that Resident Groups are eligible to apply for both Small Grants (operational funding of $1550) and Impact Grants within the annual Connected Communities Grants program

    4.3. assessments of current Long Term Community Grant recipients and Neighbourhood Houses have been completed with all deemed to be performing satisfactorily. Offers of short-term funding extensions (until 30 June 2019) have been made and accepted by all.

5. Grant programs under the Framework will commence in the financial year of 2019-2020. Applications for two year Social Innovation Partnerships will open in November 2018 and applications for annual Connected Communities Grants (2020) will open in June 2019.

6. Should Council endorse the Framework, detailed guidelines for each program will be developed, along with a Frequently Asked Questions document to assist community and sector understanding of the revised community funding programs. Further consultation with current recipients of Long Term Funding and Neighbourhood Houses will also be undertaken and information sessions will be scheduled ahead of the opening of each new grant round under the Framework.

7. Recommendations for Annual Grant funding for 2019 will be considered by Council in October 2018.

Recommendation from management

8.   That Council:

8.1.   Endorses the Community Grants and Partnership Framework.

8.2.   Authorises the Director City Communities to make any further minor editorial changes to the Framework prior to publication.

Supporting Attachment

Legal

1. No direct legal issues arise from the recommendation of management. Legal advice will be provided as required in relation to the process for awarding the grants including the paperwork affecting the grant.

Finance

2. The budget for the Community Funding Policy in 2017–18 was $1,986,896. The Community Grants and Partnership Framework budget allocation is $2,139,588. This is comprised of $1,986,896 for the draft Community Grants and Partnership Framework (in accordance with the Future Melbourne Committee resolution of 5 June 2018), and $152,692 from Council's Ageing and Inclusion team's established Community Meals Subsidy program.

Conflict of interest

3. No member of Council staff, or other person engaged under a contract, involved in advising on or preparing this report has declared a direct or indirect interest in relation to the matter of the report.

Stakeholder consultation

4. Community consultation during the Community Funding Policy 2013-2017 review process strongly suggested that Council continues to play a key role in supporting community groups and initiatives that contribute to community participation for all residents, including for vulnerable and marginalised groups.

5. Community and stakeholder engagement on the draft Framework was undertaken between 6 and 29 June 2018 via Participate Melbourne and individual discussions with key audiences, including internal stakeholders, in early August 2018.

6. Attachment 4 contains a summary of the feedback received. Several minor clarifying and editorial changes have since been made, together with two substantive recommendations outlined in point 4 of this report.

Relation to Council policy

7. The recommendation is consistent with the following Council policies and strategies:

    7.1. Council Plan 2017-21

    7.2. Municipal Public Health and Wellbeing Plan (Integrated with Council Plan 2017-21)

    7.3. City of Melbourne Reconciliation Action Plan (2018-20)

    7.4. Future Melbourne 2026

Environmental sustainability

8. The social and environmental sustainability of our city is integral to City of Melbourne's community strengthening practices. Grant applicants are required to consider the environmental sustainability and child safe practices of their initiatives.

Community Grants and Partnerships Framework

CONTEXT

Grant making is changing rapidly, particularly in Victoria where the majority of Australian philanthropic and other charities are historically headquartered. Grant makers are increasingly looking to adopt best practice: becoming more deliberate in their intent; recognising the need to be nimble and harness innovation; streamlining processes to improve responsiveness; and placing ever more value on partnerships and leveraged funds.

Whilst the community grant programs consistently achieve high quality outcomes, Council recognises the need to continuously improve.

PURPOSE

Council is committed to ensuring our communities thrive. Through the Community Grants and Partnerships Framework we provide funding, expertise and support to not-for-profit organisations that deliver outcomes aligned to Council Plans. The Community Grants and Partnerships Framework enables Council to:

- empower our communities to identify and respond to local areas of need
- partner with community organisations to deliver shared outcomes
- activate community participation amongst residents
- build capacity within the community sector

Council encourages our communities to take an active role in identifying and responding to social issues. The Community Grants and Partnerships Framework outlines how Council supports community activities and guides our decision making regarding which initiatives and priorities will receive this support.

To be eligible for funding under the Community Grants and Partnerships Framework, an organisation must be based in the City of Melbourne or provide services to the City of Melbourne community and be a:

- not-for-profit organisation (including sporting organisations);
- school;
- social enterprise or B Corporation (for Social Innovation Partnerships only); or
- body corporate (for community gardens only)

Annual program guidelines for all programs will detail: eligibility criteria, application processes, key dates, assessment criteria, and the assessment process.

PRINCIPLES AND PRACTICES

The following best practice principles and practices underpin the new Community Grants and Partnerships Framework and inform the priorities for funding:

PRINCIPLE	PRACTICE
IMPACT	We take a purposeful and strategic approach to funding projects that deliver meaningful social impact.
INCLUSION	Inclusion, access and participation are the hallmarks of healthy, thriving, prosperous, self-reliant, inclusive and resilient communities.
CONNECTION	We connect meaningfully with our communities and stakeholders and we foster more connected communities for our residents.
PARTNERSHIP	We know we can't solve tough problems alone. Through collaborative partnerships we work with others to deliver exceptional outcomes.
INNOVATION	Our communities experience constant change. We discover new solutions to changing needs and foster innovation in addressing our social challenges.
TRANSPARENCY	We are transparent in our funding priorities, processes and decisions. All of which are published on our website.

PROGRAM STREAMS

The Community Grants and Partnerships Framework supports community connection, social inclusion, and access and participation through the annual **Connected Communities** grant stream. This stream includes small grants, impact grants, the Community Use of Town Hall Scheme (CUTHS), Aboriginal grants, Inclusive Sport and Recreation grants and the Community Meals Subsidy programs. In order to improve community responsiveness and facilitate timely impact, this grant program balances access to low-scale community funding and stream-lined administrative processes, with clearer grant objectives and a focus on local residents.

The **Social Innovation Partnerships** program will direct funding to tackle Council's big social issues. Funding is provided for two years to support innovative projects and social enterprises that address Council's priority focus areas. Eligibility to apply for a second round of two year funding will be limited to projects that demonstrate outcomes and incorporate a growth or replication strategy. These measures will facilitate the piloting of well-developed program ideas and improve access to substantive Council support for more groups.

Neighbourhood Houses partner with Council to deliver critical lifelong learning, community development and social capital outcomes across the municipality. Neighbourhood Houses are a focal point for communities and are sophisticated operations, however funding streams available often do not consider the fixed costs of program delivery. **Community Funding Agreements** recognise the importance of Council's long term collaboration with our local Neighbourhood Houses and our ongoing commitment to their success.

The Community Grants and Partnerships Framework consolidates Council's commitment to **Partnerships** with and the **Professional Development** of stakeholders investing in our communities, including corporate and philanthropic Melbourne. Council's capacity building initiatives go beyond program funding and aim to build capability across the sector by being responsive and flexible to need. By showcasing what works and acting as an interlocker, Council is uniquely positioned to leverage funds and broker connection between social issues, community need, groups capable of responding, and those with means to provide support.

COMMUNITY GRANTS AND PARTNERSHIPS PROGRAMS

Community Grants and Partnerships Program	Value	Annual Budget (2018-19)	Application Round	Focus area
Connected Communities Grants Grants to support community connection, social inclusion, access and participation.				
Connected Communities Small Grants (Includes Residents Groups Operational Funding)	Up to $1,550	$531,898	Annual	Funding may prioritise, but is not limited to supporting vulnerable or high need communities. Streamlined processes promote responsiveness and reduce the administrative burden on small groups focussed on participation. Improved accountability measures ensure substantive funding delivers outcomes and informs the work of Council and our partners. Resident Groups are eligible to apply for both Operational Funding and Impact Grants.
Connected Communities Impact Grants	$1,551 - $20,000			
Community Use of Town Hall Scheme (CUTHS)	Up to $7,000	$300,000	Monthly	Grants to enable community groups affordable access to civic spaces.
Aboriginal Melbourne Grants	Up to $10,000	$40,000	Monthly	Grants to support and empower Aboriginal and Torres Strait Islander people to engage, connect and take local action within City of Melbourne.
Community Meals Subsidy	Up to $10,000	$152,692	Annual	Community meal subsidies are available for groups and organisations based in the City of Melbourne providing services or activities for older people.

Community Grants and Partnerships Program	Value	Annual Budget (2018-19)	Application Round	Focus area
Inclusive Sport and Recreation Grants **Category 1:** Inclusion Support Grants (ISG) **Category 2:** Individual Participation Grants (IPG) (Program/budget managed by Libraries & Recreation)	ISG up to $500 IPG: *up to $300 individual for national competition; *up to $500 *team for national competition up to *$500 individual for international competition; *up to $700 *team for international competition.	$20,000	Quarterly	Support for children and young people who reside in the City of Melbourne to participate in community sport (ISG) and for promising individuals to achieve their sporting goals (IPG).
<td colspan="5" align="center">**Social Innovation Partnerships** Project partnerships to tackle Melbourne's social priorities through innovation grants and social enterprise.</td>
Round 1: 2019/20 and 2020/21 **Round 2:** 2021/22 and 2022/23	$15,000 - $80,000	$660,000	2 years	Funding to tackle City of Melbourne's social priorities and create sustained social change. Includes grants to support social enterprises and B Corporations to build capability and improve their business models. Annual guidelines will specify social priority areas.
<td colspan="5" align="center">**Community Funding Agreements** Collaborative partnerships with neighbourhood houses to deliver community development outcomes for our communities.</td>
Neighbourhood Houses	$100,000	$400,000	4 years	Long term collaborative partnerships to support the delivery of community development outcomes for our communities. Individual and flexible agreements will be negotiated with each Neighbourhood House.

Community Grants and Partnerships Program	Value	Annual Budget (2018-19)	Application Round	Focus area
Partnership & Professional Development **Providing community organisations with opportunities to develop skills and knowledge to enhance community outcomes**				
Corporate and Philanthropic Melbourne Partnerships				Brokering funding, expertise and relationships across sectors to enhance social outcomes for the City of Melbourne.
Community Education & Professional Development	Upon application	$30,000	Monthly	Support for community groups to build organisational capacity through workshops or sector conferences.
City of Melbourne Networking and Learning Events		$5,000	Annual	City of Melbourne will host an annual cross-sector networking and learning event, showcasing inspiring case studies and guest speakers, possibly with an award.
TOTAL ANNUAL BUDGET		**$2.14m**		

What has changed?

The table below outlines the key changes between the Community Funding Policy 2013-2017 and the Community Grants and Partnerships Framework 2018, including changes made after the community and stakeholder engagement process (6 to 29 June 2018 and August 2018).

Program	*PREVIOUS* **Community Funding Policy 2013 - 2017**	*REPLACEMENT* **Community Grants and Partnerships Framework**	**Detail of Proposed changes**
Annual Grants	Up to $3,000 $3001 - $10,000 $10,001 - $20,000	**Connected Communities Small Grants** (up to $1,550) **Connected Communities Impact Grants** ($1,551 - $20,000)	a) The re-brand of Annual Grants to a more outcome-focused approach that funds community led activities that increase community connection, social inclusion and participation. b) Connected Communities Small Grants will move to a simpler, lower resource model with only a basic application and reporting structure. They will not be externally assessed but be assessed against transparent criteria. This program includes Residents Groups operational funding and will pick up Seniors Groups activities and other small projects. c) Connected Communities Impact Grants will run the same as the current Annual Grants.
CUTHS	Melbourne Town Hall Meat Market Up to $6,000 org/year	Melbourne Town Hall Meat Market **Kensington Town Hall** **Up to $7,000 org/year**	d) Inclusion of Kensington Town Hall to enhance utilisation of facility and provide a more affordable offering for small community groups. e) Enhanced transparency of CUTHS through clearer assessment criteria provided online; and the online publishing of successful applications. f) Increased annual cap by $1000 to cover increasing costs, such as new security requirements.

Aboriginal Melbourne Grants	Grants up to $10,000 processed monthly via Community Grants BP.	Grants up to $10,000 processed monthly via Community Grants BP.	g) No change to Aboriginal Melbourne grants.
Sports and Recreation Grants	Individual Athlete Grants Up to $2000 Monthly rounds	**Inclusive Sport and Recreation Grants** Cat 1: Inclusive Support Grants (up to $500) Cat 2: Individual Participation Grants: up to $300 individual/national up to $500 team/national up to $500 individual/international up to $700 team/international Quarterly rounds	h) Increased focus on providing assistance to financially disadvantaged young people to engage with sport. Applicants to the Inclusion Support Grants must hold a Health Care Card. i) To be eligible, applicants in both categories need to be a resident of the City of Melbourne.
Community Meals Subsidy	Ageing and Inclusion team operational expenditure (not included in Community Funding Policy 2013-2017).	**Community Meals Subsidy** Included as a separate funding program within the Connected Communities Grants. A meal subsidy of $4.50 per person for up to 200 people over the age of 55, to a maximum of 12 sessions per year (capped at $10,000).	j) The Community Meals Subsidy will sit within this Council-endorsed framework. Currently, this subsidy is delivered through operational expenditure. k) Applications and acquittals will be managed online through SmartyGrants as per other funding programs.
Long Term Funding	Long Term Funding Minimum $20,000 No maximum 4 years	**Social Innovation Partnerships** ($15,000 - $80,000) 2 years discrete project funding Option to re-apply for second round only if aligned to a growth or replication strategy.	l) Two year project funding for innovative projects addressing City of Melbourne's social priorities and create sustained social change. m) The Guidelines will specify social priority areas and may include, but are not limited to: gender equality and preventing violence against women and children; African Australian youth engagement; pathways out of homelessness; and embracing diversity within our communities. n) Social Enterprises registered with Social Traders and certified B Corporations seeking to deliver outcomes for local communities are also eligible to apply for Social Innovation Partnerships to build capability and improve their business models.

			* **B Corporations** are for-profit companies, certified by the global non-profit B Lab, that meet verified standards of social and environmental performance, public transparency and legal accountability to balance profit and social purpose. www.bcorporations.com.au
Strategic Partnerships	Non-competitive 4 year funding in accordance with Neighbourhood House Policy 2013. North Melb. $87,148 Kensington $90,874 Carlton $83,201 The Centre $104,555	**Community Funding Agreements (Neighbourhood Houses)** 4 years funding conditional on achieving annual shared and agreed community development outcomes. $100,000 each	o) Retirement of stand-alone Neighbourhood House Policy 2013; funding to be managed within the Community Grants and Partnerships Framework. p) Equal funding for all four Neighbourhood Houses. q) The funding will be flexible, individually negotiated and focus on the delivery of agreed and shared community development outcomes.
Community Capacity Building Program	City of Melbourne managed delivery of a series of capacity building workshops for community groups.	**Partnership and Professional Development**	r) Address low engagement in workshop offering through community groups applying for financial support to attend sector conferences or workshops. s) Develop relationships across corporate and philanthropic Melbourne to increase engagement with, and leverage of, our programs and create more impact for our communities. t) City of Melbourne to host an annual cross-sector learning and networking event.
Governance **(Management and monitoring of the community grants)**	Grant Manager role under-utilised and inconsistent in level of support provided to grant recipients	**Increase formalisation and effectiveness of Grant Manager role**	u) Formalise the Grant Manager role and provide guidelines, training and forums to increase effectiveness of role.

Response to community and stakeholder engagement

Summary of feedback	Suggested changes from consultation	Application of feedback received in proposed Framework
Related to commentary about the high costs not covered by the Community Use of Town Halls (CUTHS) program associated with a week-long theatre production at Melbourne Town Hall.	• That the CUTHS program cover all fees associated with hire of Melbourne Town Hall • Inclusion of Kensington Town Hall in the CUTHS program	• The costs covered by the CUTHS program are proposed to be expanded to include new security expenses. • The Framework already proposes to include Kensington Town Hall in the CUTHS program from 2019/20.
No concerns. The proposed framework covers a cross section of community groups and needs.	None	
The framework will meet the needs of community groups in the City of Melbourne	• Eligibility for grants be expanded to include projects targeting students and visitors	• Projects targeting students and visitors are already eligible.
No concerns. The proposed framework covers a cross section of community groups and needs.	None	
• Concerns regarding eligibility – applicants appear to no longer need to be locally based or deliver services within the City of Melbourne. • Confusion regarding the exclusion of program funding for Neighbourhood Houses		• Applicants must be based in or provide services to the City of Melbourne community to be eligible to apply for funding. This has been clarified in the eligibility section of the Framework. • The Framework now clarifies that Neighbourhood Houses will be able to negotiate funding directed towards programs. There is no intention to cease funding

• Concerns regarding moving away from broad community development outcomes. • Confusion regarding the intention of shared community outcomes and that Neighbourhood Houses are not a 'one size fits all'.		programs, but rather to allow for more flexibility in what the funding can be used for. • The new Framework ensures that grants align to shared community and Council outcomes and encourages communities to take an active role in identifying and responding to key social issues.

• Support for inclusion of Kensington Town Hall in the CUTHS program.
• Clarification sought whether Social Enterprise has to be not for profit to be eligible to apply for funding.
	• That social impact organisations (registered B Corporations) be eligible for Social Innovation Partnerships	• Eligibility will be expanded to include:
		  – for-profit social enterprises registered with Social Traders.
		  – certified B Corporations seeking to deliver outcomes for local communities.
		
		* **B Corporations** are for-profit companies, certified by the global non-profit B Lab, that meet verified standards of social and environmental performance, public transparency and legal accountability to balance profit and social purpose. www.bcorporations.com.au

• Support for actions taken to streamline the Connected Communities Small Grants program. • Concern that eligibility for grants require applicants to be located in or provide services within the City of Melbourne.	• Grant monies can be remitted overseas where there is a local connection.	• City of Melbourne observes a long standing principle that funding cannot be remitted overseas. Rather, grants provided by the

		municipality must benefit local communities, including workers, visitors and residents.
	• Establish a small monthly grant program.	• Council's commitment to access, equity and external assessment of grants impedes the administration of a monthly grant program.
	• Eligibility be expanded to include individuals such as community leaders.	• Support for the capacity building of individual community leaders is available through the Community Education and Professional Development program.