

## 2025 ANNUAL GRANTS - INITIATION

---

Report Author: Manager Creative and Connected Communities  
Responsible Officer: Director Communities  
Ward(s) affected: (All Wards);

---

*The author(s) of this report and the Responsible Officer consider that the report complies with the overarching governance principles and supporting principles set out in the Local Government Act 2020.*

### CONFIDENTIALITY

The report is presented at a public meeting of Council.

### SUMMARY

The purpose of this report is to:

1. Present the 2025 Annual Grants program and budget for endorsement.
2. Provide an update on changes to the Monthly Grants program.
3. Note the decision-making process for the Annual Grants due to the local government elections in October.

### RECOMMENDATION

***That Council:***

1. ***Increase funding to the Annual Grants program as follows:***
  - (a) ***Increase the Community Development stream by \$25,000 to a total pool of \$275,000.***
  - (b) ***Increase Festival and Events and Arts and Heritage streams by \$50,000 to a total pool of \$300,000.***
  - (c) ***Raise the limit for large festivals from \$10,000 to \$15,000.***
2. ***Increase the maximum for Monthly Grants to \$1,500 and increase the budget for these grants as follows:***
  - (a) ***Increase the Business and Trader Group Development stream from \$10,000 to \$18,000 per year and for grants up to \$1,500 each.***
  - (b) ***Allocate \$12,000 for capacity building support for not-for-profit Business and Trader Groups.***

- (c) Increase the Connected and Vibrant Communities Monthly Grants stream by \$20,000 to support small projects that focus on social connection.**
- 3. Provide in-principle support for the creation of a separate emergency relief stream in the 2027 multi-year Partnership round and increase the funding limit to \$45,000 per year for larger agencies that demonstrate this is required.**
  - 4. Plan for an estimated increase of \$80,000 in the next Multi-year Grants, with the amount reviewed in 2027-28 budget process. This recognises and responds to cost pressures on community organisations and will:
    - (a) Create capacity for Panels to assess and recommend applications for multi-year funding from proven and iconic festivals that have received Annual Grant funding over successive years.****
  - 5. Monitor changes and the benefits to the community and make recommendations for further improvements as needed.**
  - 6. In line with Council's Election Policy, delegate ELT, as the decision-making body, to consider the recommendations from the Panels prior to making the final funding decisions for the 2025 program.**

## **RELATED COUNCIL DECISIONS**

A Review of Council's grant programs was requested at the 22 August 2023 Forum. Officers presented the Review for feedback at Forum on 5 February 2024 and at a further Forum meeting on 16 April. The Councillors' feedback is incorporated into this report and the design of the 2025 Annual Grants.

Council endorsed its governance rules on 22 August 2023. These rules include the Election Policy which is relevant to the recommendations. There are no other Council decisions relevant to this item.

## **DISCUSSION**

Council's suite of grant programs is generous and sector leading. The diverse and numerous community organisations, artists and services that are awarded grants, deliver high quality, creative and social outcomes in their communities. These outcomes align closely with Council's vision and strategies for a healthy, connected and thriving Yarra Ranges. Council's Grant Policy states its grants are:

*"Designed to equip communities with the resources they need to thrive, Council's grant programs also foster social inclusion, develop community capacity and support resilient, responsive communities."*

Communities consistently demonstrate their talent, passion, skills and commitment through the grant programs. Council grants enable them to deliver great things that make a positive difference.

The 2025 Annual Grants round includes a range of improvements following a recent Review. The Review informed updates to the application form, selection criteria and guidelines (see Attachments 1–3 for Guide to each stream). The primary aim of these changes is to simplify the process of applying for grants for community volunteers.

The changes also seek to ensure the centrality of a long-standing intention of the grants to support and enable community-led projects that address community priorities.

### ***Purpose and Background***

The report seeks Council endorsement of recommendations to initiate the 2025 Annual Grants round, which opens on 15 May 2024. The recommendations include changes to the budget, the revised application forms, guidelines and selection criteria.

Proposed changes to the Monthly Grants program are also included and the revised structure for these grants, to now incorporate Economic Development, is attached (see Attachment 4).

The proposed approach to decision making during this election year is also addressed in the report with delegation to ELT recommended.

### ***Options considered***

A range of options and improvements were considered as part of the Review process then applied to the 2025 round. These changes were canvassed with stakeholders and cover the Monthly Grants program, the 2025 Annual Grants program including the application form, selection criteria and guidelines and proposed increases to grants budgets.

Officers also engaged on the strategic criteria to make them more relatable, while still encouraging projects that support the evidence based, community informed, strategic goals of Council.

### **Timing and the Local Government Election**

Timing of the 2025 round needs to consider the upcoming local government election in October 2024, and align with Council's Election Policy which provides clear guidance and states the following:

#### ***“Guidance on Decisions***

9.6 *Council will avoid making decision that is intended to influence, or is likely to influence, voting at an election or decisions that may unreasonably bind an incoming Council and could be deferred until after the election. Examples of inappropriate decisions include:*

- (a) *Allocating community grants or other direct funding to community organisations.”*

### ***Recommended option and justification – Grant Programs***

This section of the report has two parts: the recommended way forward for the grant programs and the decision-making process in context of the election in October.

The recommended changes to the Annual and Monthly Grant programs are as follows:

Increase funding to the Annual Grants:

- Festival and Events and Arts and Heritage streams by \$50,000.
- Increase the Community Development stream by \$25,000.
- Raise the limit for large festivals from \$10,000 to \$15,000.

Increase the budget for the Monthly (Small) Grants:

- The maximum for monthly grants increased to \$1,500.
- Economic Development stream increased from \$10,000 to \$18,000 per year and for grants up to \$1,500 each.
- Allocate \$12,000 to capacity and governance strengthening programs for not-for-profit Business and Trader groups (n =12).
- Connected and Vibrant Communities stream increase by \$20,000 to help accommodate small projects that focus on social connection after the winding up of RCRC and other recovery grant programs.

It is also proposed that changes to the next multi-year funding round (formerly the Partnership Grants) are considered in the appropriate budgets:

- Support creation of a separate stream in the 2027-28 multi-year grants round for material relief and referral agencies and increase the funding ceiling per grant in this stream to \$45,000 per year for larger agencies that demonstrate need.
- Plan for an estimated increase of \$80,000 in the next multi-year grants, with the amount reviewed in 2027-28 budget process. This recognises and responds to cost pressures on community organisations and will:
  - Create capacity for Panels to assess awarding applications for multi-year funding to proven and iconic festivals that have received Annual Grant funding over successive years.

An increase above budget to the current Partnership grants was endorsed by Council in 2023. This is a commitment of an additional \$59,000 per year plus rate-based increases, until 2027-28.

### ***Recommended option and justification - Election and Decision Making***

A further recommendation is made based Governance advice and Council's policy, that the recommendations of the Panels be presented for consideration before endorsement, to the Executive Leadership Team. There will be no Council meeting report or decision on this matter, in line with the Council's Election Policy. A Forum report to keep Councillors informed will be presented.

### **Assessment Panels**

Assessing Annual Grant applications involves the following steps:

- Eligibility checks (officers complete).
- Officer reflections (for the panels to draw on if needed).
- Individual panel member online assessment.
- The Deliberation Day where the Panels develop their final recommendations together.

The 2025 panel members bring a range of expertise in grant making, community work and the arts. They bring different perspectives, represent a range of age groups and are from different regions of the municipality.

Given the complexity of the assessment task and the election year context, experienced panel members will again participate including some who were involved in the Review process. They will be in the position to give informed feedback on the effectiveness of the changes made for the 2025 round.

### **FINANCIAL ANALYSIS**

The budget considerations in this report propose the following:

- Increases to the Annual Grants budget and in the 2024-25 budget to better meet community demand; and
  - Inclusion of in-kind venue hire into the Annual Grant application form.
  - Inclusion of in-kind waste in the Annual Grants application form.
- Increases to the Monthly Grants budget noting there may be pressure points in this program including increases to in-kind waste costs, which will be monitored.
- An increase to the Economic Development monthly grants pool and an allocation of funds for capacity building.

An increase to the 2025 Annual Grants budget is proposed. The distribution of the proposed increase of \$75,000 is outlined in Table 1 below:

<b>Annual Grant Stream</b>	<b>Previous Budget</b>	<b>New budget with increase</b>
Community Development	\$250,000	\$275,000
Arts and Heritage	\$125,000	\$300,000  The Panel to assess both streams and allocate flexibly across streams as needed.
Festivals and Events	\$125,000	

*Table 1*

The proposed increases to the Monthly Grant program are outlined in Table 2 below.

<b>Monthly Grant Stream</b>	<b>Previous Budget</b>	<b>New budget with increase</b>
Connected and Vibrant	\$100,000	\$120,000
Economic Development	\$10,000	\$18,000
Economic Development Capacity Building	\$0	\$12,000

*Table 2*

## **APPLICABLE PLANS AND POLICIES**

This report contributes to the following strategic objective(s) in the Council Plan:

- Council’s strategic objective to create “*Connected and Healthy Communities*” and the Ignite Strategy stated aim that:
  - “*COMMUNITY is at the heart of all we do. Our goal is for our diverse communities to be at the heart of every decision and service we deliver, to ensure we are meeting the needs and hopes of our communities.*”

Two Council Plan actions are well supported by the Grants program:

- Strengthen relationships and networks to support local community groups and build their capacity to be active in achieving community outcomes (CP 5.10.1.1).
- Improve mental health outcomes for the community, strengthen social connections, and advocate for equitable and accessible mental health services across the municipality (1.5.2.3).

The program also delivers with communities, on Council’s Creative Communities Strategy. As the pandemic years recede the impacts linger, specifically on mental wellbeing. The positive benefits of involvement in arts and cultural experiences for mental wellbeing and recovery is well documented. Council’s grant programs will continue to provide support for community led recovery and resilience building.

The grants also support outcomes aligned with the following strategies, plans, and policies:

<i>Health and Wellbeing Plan</i>	<i>Healthy and Active Ageing Plan</i>
<i>Creative Communities Strategy</i>	<i>Liveable Climate Plan &amp; Environment Strategy</i>
<i>Equity Access and Inclusion Strategy</i>	<i>Draft Reconciliation Action Plan</i>
<i>Child and Youth Strategy</i>	<i>Recreation, Open Space Strategy</i>
<i>Municipal Recovery Plan</i>	

**RELEVANT LAW**

Other than the Local Government Act and the Gender Equality Act there is no other specific legislative provision that directs the grant programs of Council. Child Safe Standards requirements are an important component of Council’s commitment to the safety and wellbeing of all children. Support is available for community organisations to understand and meet these requirements.

**SUSTAINABILITY IMPLICATIONS**

Section 9(2)(c) of the Local Government Act 2020 states:

*“The economic, social and environmental sustainability of the municipal district, including mitigation and planning for climate change risks, is to be promoted”.*

The grant programs encourage applications that support sustainability.

***Economic Implications***

Economic wellbeing is a key determinant of health. There is economic benefit of Council funded festivals and events to local communities. This includes increased visitation and spend at local businesses and the employment of artists, musicians, performers, and food vendors.

The proposed Monthly Grants for Business and Trader Groups are intended to support good governance and sustainability for these not-for-profit groups. While their focus is different to other community organisations, they make an important contribution to building more connected, creative, and productive communities.

### ***Social Implications***

Council's grant program provides an important boost to the work of volunteer organisations across the municipality. The Yarra Ranges grant program is one of the largest in the eastern and southern metro region. The Annual Grants and Monthly Grants offered by Yarra Ranges strike a balance of responsive grants for small projects and support for larger projects. Both forms of grant can have significant impact for community groups and organisations.

### ***Environmental Implications***

The Annual Grants have a tick box question for applicants about actions they can consider that will reduce the environmental impact of their project or event. While not mandatory it is in line with Council's commitment to protecting and enhancing our natural environment.

## **COMMUNITY ENGAGEMENT**

Feedback through a survey completed by participants and other feedback from applicants informs the 2025 program. The 2025 round is also informed by community panel members and Councillors, who provided robust feedback to improve the application and assessment processes.

## **COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT**

The changes to the 2025 Annual Grants are informed by participation in the Southern and Eastern Region Grants Network and a benchmarking exercise from 2019. No other formal collaboration was sought. Officers scan for ideas and improvements as part of a continuous improvement approach.

### ***Continuous Improvement***

The Attachments present the revised 2025 Annual Grant Guidelines and Selection Criteria. They also outline the changes to the Monthly Grants program to incorporate Economic Development and introduce an Asset Based Community Development (ABCD) model to these grants. For the Annual Grants, the in-kind components of projects are now included in the same application form.

Applications for in-kind support can still be made through Monthly Grants. Changes have been made to enable both in-kind and cash grants up to the annual limit, where the in-kind amount is less than maximum grant. It is also recommended that more than one application can be made to the Monthly Grants over the course of a financial year, up to the maximum of \$1,500.



## RISK ASSESSMENT

The recommendations are intended to increase the effectiveness and accessibility of the Annual and Monthly Grants and later the Multi-year Grants, in supporting communities to meet their own goals and aspirations. The risks related to the report recommendations are assessed and outlined in the table below.

Risk	Mitigation
Not enough funding to meet community need	<p>Manage communications with applicants transparently.</p> <p>Provide feedback to assist unsuccessful applicants to succeed next time. Refer to other funding opportunities.</p> <p>Monitor outcomes of program changes and adapt future rounds to improve.</p>
Not enough funds in the community development stream for Annual Grants.	Monitor and bring relevant recommendations to Council for the 2026 round. The ability to move funds across streams will assist.
Increased costs for in-kind waste mean less funds for other Monthly Grants.	The increase of \$20,000 to the program should mitigate this risk. Monitor.
Demands of increased programs exceeds officer time and resources and requires increased support from others.	Monitor. Develop appropriate responses if needed.
Economic Development Monthly Grants fail to attract applications.	Officers to support and encourage Business and Trader Groups to take up the grants, monitor uptake & outcomes.
Changes in the not-for-profit sector and wider environment place more pressure on organisations and community groups.	<p>In coming years, changes could be positive (decreased cost-of-living rises) or negative (increase in cost-of-living pressures). Consider how to support organisations to harness volunteers and pro-bono support. Monitor the service and community volunteer sectors.</p> <p>Continue to deliver a broad skill building program to support capacity of not for profits and community leaders.</p>

## **CONFLICTS OF INTEREST**

No officers and/or delegates acting on behalf of the Council through the Instrument of Delegation and involved in the preparation and/or authorisation of this report have any general or material conflict of interest as defined within the *Local Government Act 2020*.

## **ATTACHMENTS TO THE REPORT**

1. 2025 Guide to Annual Grants: Arts and Heritage
2. 2025 Guide to Annual Grants: Community Development
3. 2025 Guide to Annual Grants: Festivals and Events
4. Overview of Yarra Ranges Council Monthly Grants