

2026 ANNUAL GRANT PROGRAM

Report Author: Executive Officer Partnerships & Community Building
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

This item is to be considered at a Council meeting that is open to the public.

SUMMARY

Each year Council offers an Annual Grants program to not for profit community groups and artists. These grants provide funds for community-led projects that build stronger communities. The criteria for success for those applying are linked to the goals of Council's strategic plans.

The 2026 Annual Grant round is due to open on 2 June 2025, closing mid-July and is for projects happening in 2026. Applications are assessed by independent panels and the recommendations of the community assessment panels are presented to Council for endorsement in October 2025.

The report recommends minor changes to the Monthly Grants, consolidating two separate budgets into one program that supports vibrant and connected communities, with grants for not-for profit traders incorporated into that program.

This report seeks Council endorsement of the 2026 Annual Grant Guidelines, and the draft budget allocation in the 2025-26 financial year of \$575,000 for the Annual Grants and \$150,000 for the Monthly Grant program.

RECOMMENDATION

That Council endorses the Yarra Ranges Grants 2026 Annual Grant Guide.

RELATED COUNCIL DECISIONS

In 2024 the Council endorsed an increase in funds for the *Annual Grants* from \$500,000 to \$575,000. Council also approved increases to the *Monthly Grants* program as follows:

- \$20,000 for the Vibrant and Connected Communities program to a total of \$120,000.
- \$18,000 additional funds for the Economic Development program for grants and \$12,000 for capacity building for not-for-profit trader groups.

Council also approved a change to the limit of the monthly grants from \$1,000 to \$1,500.

DISCUSSION

Section 9(2)(b) of the *Local Government Act 2020* states: “*priority is to be given to achieving the best outcomes for the municipal community, including future generations*”. The projects funded through Council’s Grants help build the foundations for the future, through supporting strong connected communities where people have a sense of belonging and purpose.

Purpose and Background

Council’s Grant Policy states:

“Council commits to providing grant programs which are inspired by Asset Based Community Development (ABCD) principles with a focus on discovering community assets, strengths, and passions, nurturing positive community relationships and partnerships and mobilising community led initiatives.”

Each year an *Annual Grants* program is developed and offered to communities across the municipality. It is highly sought after, well-funded compared with many other local governments, and generally well regarded.

Council’s *Monthly Grants* program provides quick turn-around funding for a broad range of community endeavours. Like the annual program it is based on ABCD principles. Changes to the funding limit for *Monthly Grants* in 2024, resulted in greater demand. The increase to the funding limit and a noticeable increase in the number of applications is driving the additional call on funds. On the other hand, the *Economic Development* grants are under-expended.

The increase in applications is taken as a sign that communities are actively participating in community life and this is positive. Yarra Ranges has highly engaged volunteers, artists, heritage groups and community groups and this is a strength that the grants leverage.

The purpose of this report is to:

- Provide information about the upcoming 2026 Annual Grant round, key dates, the strategic criteria and the governance of the grant round, primarily the assessment and decision-making processes.
- Recommend a consolidation of budgets for the *Monthly Grant* program, to meet increased demand and bring not for profit trader groups into one Vibrant and Connected monthly program.

Annual Grant Program

There are three streams in the Annual Grants:

- Arts and Heritage
- Community Development
- Festivals and Events.

Assessment Panels will be convened to score and deliberate on applications as part of a three-step process: 1. officer reflections to support the panels 2. individual panel members' assessment online, then 3. a deliberation day where the panel members meet to agree on final recommendations for endorsement by Council.

Based on the increase in applications last year, officers will determine the number of panels needed to manage the volume. The panels are primarily volunteer community members, and the work of assessing is significant.

Features of the Panels

The aim is for panel members to represent our regions as best as possible, have a gender mix and include young person/s. Other considerations are to have members who bring relevant expertise in community development or the arts. Council has been fortunate to have skilled and committed panels over many years and their contributions are valued.

Festivals and Events

Yarra Ranges Council has long had a decentralised, community led approach to bringing communities together to celebrate and strengthen local identity through the grant programs. This was a deliberate strategy to respond to the many diverse places and communities of Yarra Ranges and to support local creativity and imagination. Community groups across Yarra Ranges deliver quality festivals and events with distinct character and feel through the grants they receive.

Options considered

In developing options for the 2026 Annual Grants, lessons from past rounds were considered:

- The need to manage the workload of the panels, notably in the Arts, Heritage, Festivals and Events streams.
- Incorporating Planning considerations such as permits, particularly in the festival and events stream.
- The importance of the festival and event registration process for applicants.
- A review of the criteria and eligibility to ensure they are current.
- Observations of the high quality of applications, indicating strong alignment of community energy, creativity and imagination with the strategic goals of Council and confirming the Guidelines are still highly relevant.

Recommended option and justification

The recommended option for the *Annual Grants* is to:

- Endorse the strategic criteria for the three streams outlined in Attachment 1.
- Maintain *Annual Grant* funding at \$575,000 and the allocations across the three streams, outlined in the recommendations.
- Approve the updated eligibility including that Council does not fund camps, rides or jumping castles.

Further, for the *Monthly Grant* program the recommended option is to:

- Combine the Vibrant and Connected Communities stream and Economic Development stream into one program, making a total of \$150,000, starting for the May 2025 round.

Over many years, applications for monthly *Economic Development* grants have been low. These grants are only for not-for-profit trader groups. The recommendation is to wrap the economic criteria into one Vibrant and Connected program.

Council's Skill Building program offers free workshops targeted to meet community needs. These are relevant and of value to trader groups. The workshops are usually online, out of hours and thus very accessible and will be promoted to trader groups.

This proposal addresses the increased demand on the Monthly Grants following Council's decision in 2024 to increase the limit of the grants to \$1,500 per year, per applicant.

FINANCIAL ANALYSIS

The draft 2025-2026 budget allocation for the *Annual Grant* program is \$575,000. The allocation across the three Annual Grants streams is:

- Arts and Heritage, Festivals and Events streams \$300,000
- Community Development stream \$275,000.

The *Monthly Grants* budget is proposed as \$150,000 for applications that support Vibrant and Connected Communities incorporating criteria for not-for-profit trader grants. This can be accommodated by combining two elements of the draft 2025-26 budget.

As noted above, demand in the *Monthly Grant* program is both increasing and the amount being funded is higher. Between July and Jan in the previous financial year there were 61 grants approved and in the same period for this financial year, 89 were approved.

APPLICABLE PLANS AND POLICIES

No regional, state or national plans or policies are applicable to the recommendation in this report.

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

- A healthy and connected community.

The grants are a major way that Council partners with communities to deliver responses to its strategic plans such as:

- Health and Wellbeing Plan - invites projects that increase social connection, support healthy eating, promote gender equity to increase mental wellbeing.
- Creative Communities Strategy - supporting arts, heritage, cultural development and festivals/events, while also delivering on mental wellbeing, a goal of the Health & Wellbeing Plan.
- Environment and Liveable Climate Plans - projects that involve skills development, engaging with nature and environmental projects.
- Disability Action Plan – promoting more inclusive communities.
- Reconciliation Action Plan – strengthening culture and Country.
- Key Life Stages Plans (early, middle, youth and older residents) - supporting social connection, responding to local needs, harnessing creativity across life stages.

RELEVANT LAW

The grant program helps drive inclusion through the criteria and through prompts in the applications process and the information sessions for community applicants. A Gender Impact Assessment is underway. This is also required for the update of the Grants Policy due later in 2025.

Child Safe Standards were incorporated into the Grants some years ago and workshops and information are provided by experts, to assist community groups to feel confident in what is needed to keep children safe.

SUSTAINABILITY IMPLICATIONS

Economic Implications

There are some economic benefits from the grant programs, notably in the festival and events category. Community festivals deliver benefit through employment of local artists and performers, drawing people to activity centres and other locations and increasing local expenditure. There are also opportunities for local vendors to participate in events.

In a less obvious way, there are economic benefits through volunteering which builds community wellbeing and the positive health impacts of being involved. Skill development, leading to employment options can also happen through volunteering in community grant projects, such as artists developing skills to support their arts practice or volunteers building project management and administrative skills.

Social Implications

The partnership between Council and community organisations over decades has proven the social benefits of the *Annual Grant* program. These benefits include increased social connection and a sense of belonging, fostering creativity, connecting people to the history of their area and addressing social issues.

The grants enable communities to develop specific projects to build on opportunities or address needs. Over the years examples include projects that support people experiencing loneliness or isolation, addressing gender stereotypes, promoting inclusion for people with disability, and the many events that reflect local identity and culture. The creativity and innovation of local volunteers and artists that comes through the grant programs is extensive.

Each of the three streams delivers social benefits using very different delivery modes; from heritage projects to arts, activities that foster connection to place, and many other diverse projects that strengthen social connection and help build community wellbeing.

Environmental Implications

Grant projects include some with environmental impacts. Stand outs in the past are projects led by community gardens and local environmental groups. The grant application form also suggests ways that grant projects can be environmentally responsible in their delivery such as being waste wise.

COMMUNITY ENGAGEMENT

While the grant application process involves ongoing conversations with community members and with the assessment panels. No deliberate engagement on decisions for this round was undertaken. Ongoing feedback is sought and considered to improve and adapt the value of the grants.

COLLABORATION, INNOVATION AND CONTINUOUS IMPROVEMENT

The grant criteria invite community projects that respond to Council's strategic objective of a healthy and connected community. This requires collaboration across Council, importantly between Creative Communities and Community Support. The program also requires consideration of Planning. Many areas of Council contribute to the *Annual Grants*, supporting projects in their area. Examples of this intersection include disability inclusion, health and wellbeing, Indigenous Development environment, healthy active ageing, young people and families and children. Officers in these teams support successful grants for example with the reporting acquittal process.

Reflections on each round result in incremental improvements or changes. These may be refining or updating criteria or changes to way we inform communities to ensure wide access to the grant program. The 2024 round involved extensive changes to the program after a review and led to refining and simplifying the application process for community members and to Council increasing the funds available.

RISK ASSESSMENT

There are risks in managing grant programs. These were the subject of an Auditor General (AG) report in 2022. Yarra Ranges was not part of the audit, but a cross reference of the findings showed the systems in place for Council grants are robust and in line with the AG's recommendations. A summary of the program risks and mitigation is in the Table below.

Risk	Mitigation
Conflicts of Interest (COI)	<p>A COI declaration is signed by applicants, assessors and the panel members. There is a clear process during assessment for managing COI with panel members not assessing projects they are involved in or discussing them with others.</p> <p>Officers monitor and follow up any conflicts or perceived conflicts.</p> <p>The role of Councillors is designed to avoid any actual or perceived conflict: e.g. no letters of support from Councillors, Councillors not being</p>

Risk	Mitigation
	involved in the assessment process and the practice of Council endorsing the recommendations of the community panels.
Financial	<p>Grant payments are managed through SmartyGrants and processed through Council's financial system.</p> <p>A process for variations, checking of acquittals is also managed through SmartyGrants. This assists with managing the volume of grant funded projects.</p>
Permit Requirements	<p>Grant projects proposed on private land may require a planning permit. This process is unlikely to fit within grant timelines. Approaches to assist include suggesting alternate venues or locations.</p> <p>A comprehensive registration process is in place to manage risks related to events and festivals and comprehensive resources and processes are in place to inform organisers about likely permits and other information, to assist with planning events.</p>
Reputational risk	Past experiences show the potential for reputational risk is most likely when applicants are not successful. This is managed by clear messaging that not all projects can be funded, referral to other grant opportunities, offers of feedback and help with how to increase likelihood of success in future.

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. 2026 Draft Annual Grants Guidelines for Endorsement