



## COUNCIL REPORT

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<b>Agenda Item Number:</b>	14.02.07
<b>Report Title:</b>	Additional Funding Requests by User Groups
<b>Author and Recommending Officer:</b>	Diana Leeder Executive Manager Community Inclusion
<b>Meeting Date:</b>	15/03/2022
<b>Attachments:</b>	Nil

### Executive Summary

This report provides Council with an update on the progress of recent funding shortfall enquiries and the process to be followed by user groups or other community organisations requesting additional funding from Council.

### Recommendation

THAT Council receive and note this report.

### Background

Council currently has budget for each of its eight Recreation Reserves. This funding covers operational costs and repairs and maintenance costs. Lease agreements are in place for the independently managed Reserves and set out a level of service for the Reserves to be maintained at within the budget.

Council encourages the Reserve Management Boards and/or Committees and long-term user groups to seek any Federal or NT Government funding opportunities that align with their Masterplans and the Litchfield Council Sport, Recreation and Open Space Strategy.

Berry Springs Management Committee is an independent incorporated association managing Berry Springs Reserve under a peppercorn lease type agreement. In November 2021, Berry Springs Recreation Reserve Committee advised elected members and senior staff of its success in receiving a Community Benefit Fund Grant for 'revamping, modernising and renovating Berry Springs Recreation Reserve', and requested Council assistance for an apparent \$25,000 shortfall. Whilst indicating the elected members in principle support, staff have since met with the Committee to discuss what is required once up to date quotes are available. These discussions were formalised through a written request, via email, for information including budget and current quotes necessary to facilitate a report to Council identifying what assistance was actually required. Agreement was provided for a request from the Committee that the lag between paying GST and receiving the claimed amount back could be covered by payment in advance of current year grant operational

and R&M grant funds. To date, staff have not received any advice of the amount required as assistance

Knuckey Lagoon Recreation Reserve is directly managed by Council with advice from the Council appointed Knuckey Lagoon Management Committee. In September 2021 the Thai Association advised Council of a successful grant application to instal solar panels on the Council building used by it under a user group agreement and for which the Association meets the cost of utilities. Shortly after, the Association requested approval to move the project to the larger building on the reserve, citing reasons of greater efficiency. Approval was given on the basis that there was no cost to Council. In February 2022, the Knuckey Lagoon Reserve Management Committee and Council were advised by the Thai Association that a shortfall existed between the Community Benefits Fund grant and the installation cost, due to the decision to install solar panels on the main hall and the subsequent requirement for a larger system.

In principle the project has merit. As the installation of solar panels on the larger hall will benefit other users and Council and fits within the draft Climate Adaptation Strategy and action plan, advice was provided to the Thai Association that, prior to Council agreeing to meet the shortfall, a formal request identifying the actual amount of shortfall, supported by a revised quote, was required. The Association has been asked on several occasions to provide available budget and current quotes for the larger system and its three phase power requirements. As the Association is a user group not a lease holder, Council has no knowledge of its financial position as it does for the management committees of other reserves. As such the Association was asked whether any contribution to the shortfall was possible from within its own funds, as is the practice when considering requests from independent management committees. No response has been received to the request for budget and quotes for the work.

Once the exact amount required is known from quotes from the installer a decision can be made as to how much and in what way the amount can be funded.

It is evident that the Reserve Management Boards and/or Committees and long-term user groups are not all aware of the protocol around Council providing additional funds that are not budgeted for, believing that individual councillors or the Mayor can give agreement to expenditure of public funds outside a formal decision-making process. Council staff are committed to working with all the relevant organisations to improve this understanding and facilitate proper consideration of requests for additional assistance. Council staff have commenced engagement with Reserve Management Boards and/or Committees and long-term user groups in developing a flowchart to clarify the process and avoid ad hoc requests for Council funding, allowing for more efficient decision making.

#### **Links with Strategic Plan**

A Well-Run Council - Good Governance

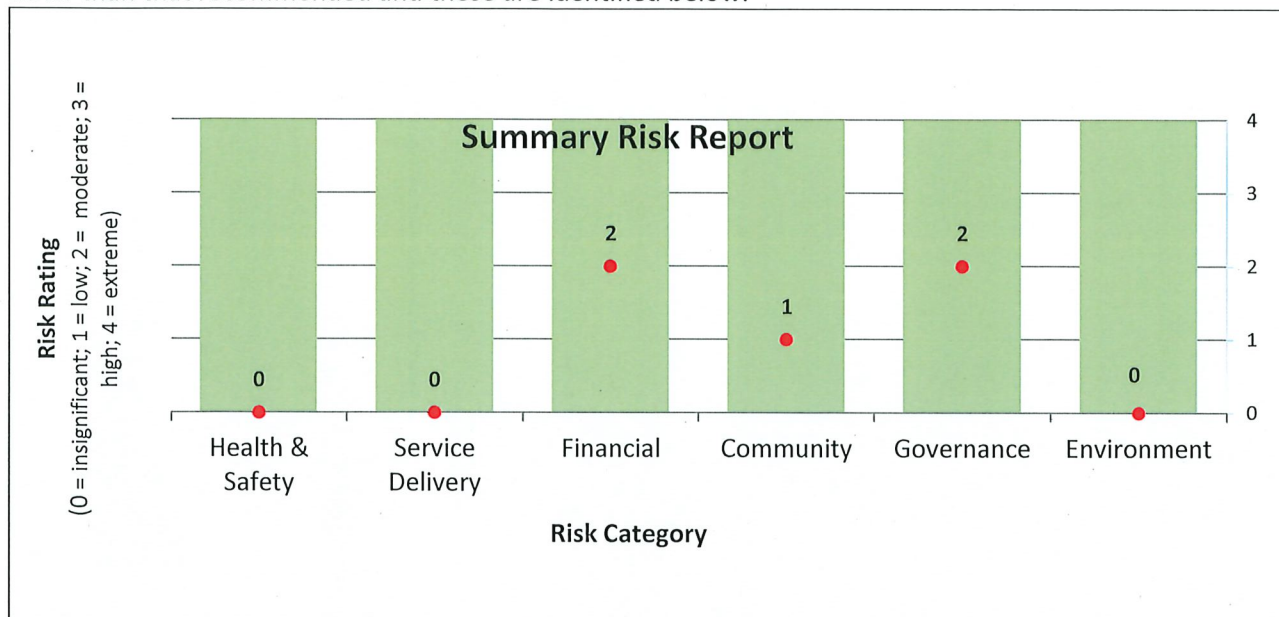
#### **Legislative and Policy Implications**

Nil



## Risks

There are no risks associated with this report itself however there are risks associated with taking action other than that recommended and these are identified below.



### Financial

Without detailed information from community organisations there is a moderate risk to Council that ad hoc decisions to allocate funds will be outside allocated budget. In relation to the Thai Association request, funds are available in the draft Climate Adaptation Strategy and Action Plan once exact costs are known.

### Community

A low risk has been identified that failure by community groups to understand and participate in proper process to request additional funds will lead to multiple ad hoc requests for additional shortfall funding.

### Governance

A moderate risk is identified if procedure is not followed, and unbudgeted funds are provided without approval.

## Community Engagement

Council is committed to working with Reserve Management Boards and/or Committees and long-term user groups in developing a flowchart to guide the process of requesting additional funds from Council.