+Community Grants Program Management Guide
for Queensland Local Government

Information in this guide

- This guide is not intended to provide advice of any
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- It is at the discretion of councils or other parties as
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regarding this document should be directed in the first
instance to:

Freecall	**1800 623 946**
Email	contact_us@qrida.qld.gov.au
Fax	(07) 3032 0300
Mail	GPO Box 211, Brisbane, QLD, 4001

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FOREWORD

ABOUT QRIDA

The Queensland Rural and Industry Development Authority (QRIDA) is a Queensland Government statutory authority that provides professional financial assistance program design and delivery services to state, territory and Australian Government agencies.

Established in 1994, QRIDA is particularly proud of its record in delivering assistance programs to rural and regional Queensland.

Since 2017, QRIDA has been drawing on its experience in financial assistance program design and delivery to support Queensland councils with a no-cost community grant program review service.

This service provides a review of program documentation and processes, including a visit to council offices, with the aim of helping councils deliver their programs to contemporary better practice standards.

In providing this service and interacting with grants staff, we have developed an understanding of the challenges faced by many regional councils in delivering community grants programs, such as limited resources and maintaining the skills and knowledge to effectively deliver programs.

COMMUNITY GRANTS PROGRAMS

Councils across Queensland help support valuable community projects with grants programs to community organisations.

This important assistance supports activities which provide opportunities for residents to access and participate in a wide range of recreational, cultural, environmental, community and economic development projects and activities.

THIS GUIDE

This guide has been developed to provide a practical and usable resource to assist Queensland councils develop and deliver community grants programs.

This guide is not intended to be exhaustive or prescriptive, but to provide a set of recommended approaches to help achieve effective community grants program outcomes.

The key aims of this guide are to help councils develop and deliver community grants programs which:

• comply with better practice principles

• achieve policy and process design proportional to the scale and risk profile of programs

• standardise, systemise and align processes and forms for efficiency

• apply a systems approach to program development

• comply with the requirements of the *Local Government Regulation* 2012 (Qld).

This guide is based on QRIDA's grants lifecycle model (see *Figure 1*) which includes the activities required to run a grants program from initiation through to closure and evaluation.

QRIDA'S GRANTS LIFECYCLE MODEL

PROGRAM INITIATION

Developing policy settings for a new program or round of program

- Program policy design

PROGRAM PLANNING AND DEVELOPMENT

Planning and developing the processes, procedures and forms required to implement a grant program

- Designing program processes
- Delegation and governance planning
- Risk management planning
- Program information planning
- Communications planning
- Evaluation and review planning

PROGRAM IMPLEMENTATION

Processing grant applications from application receipt through to decision and payment and management of funds

- Application receipt
- Application assessment
- Application decision
- Funding agreement
- Funding acquittal

CLOSURE AND EVALUATION

Finalising the program, or the round, such as closing off the program's finances and evaluation of the program

- Program performance and impact evaluation

Figure 1 Grants program lifecycle

While the lifecycle model covers the entire process of a grants program, this guide will focus on the initiation and planning stages because the implementation and closure and evaluation phases are mostly about delivering the outputs of these stages.

The *Local Government Regulation 2012* requires a program policy to be developed for community grants programs, which includes details of the eligibility criteria for a community organisation, the procedures for approving grants and delegation and governance details.

To meet these requirements, and produce an effective and comprehensive policy document, a key recommendation of this guide is that the outputs of the initiation and planning outputs are recorded in the program policy.

INITIATING A GRANT PROGRAM

This section will guide you through the initial policy design stages for a new grants program.

The principal aims in developing sound program policy should be to:

- link program objectives to council priorities, such as priorities outlined in the council's strategic plan

- ensure objectives are measurable and can be achieved with available funding

- design program criteria and other conditions in proportion to grant funding amounts and the risk profile of the program.

It is also important to be mindful of the resources and capabilities of community organisations to both apply for and deliver grant funded projects.

PROGRAM INITIATION

Developing policy settings for a new program or round of program

- Program policy design

PROGRAM PLANNING AND DEVELOPMENT

PROGRAM IMPLEMENTATION

CLOSURE AND EVALUATION

Figure 2 Grant program design parts

1. GRANT PROGRAM DESIGN

There are three main parts to the design of a community grants program as shown in *Figure 2*. The following sections provide guidance on developing these policy components.

(a)   Applicant eligibility criteria

Designing applicant eligibility criteria is a process of defining and describing an eligible organisation for a program.

Eligible organisations may be defined by their legal structure and status, for instance being incorporated under appropriate legislation. In Queensland this legislation would usually be the *Associations Incorporation Act* 1981 (Qld).

In addition to being incorporated, eligible organisations may also be defined using the Australian Taxation Office description of a not-for-profit organisation as an organisation that does not operate for the profit or gain of its members and whose primary purpose is providing services to the community.

Selecting the required characteristics of an eligible organisation is also part of establishing initial eligibility criteria. For community grants programs these frequently include:

• operating in the local government area

• holding appropriate and adequate insurances

• complying with recognised workplace health and safety practices

• being financially viable

• being unable to fund the project without assistance from the council

• meeting the conditions of any previous approvals

• not having received a grant in the past 12 months

• not having any debt to the council.

Proportionality should be kept in mind when deciding which characteristics should apply to an eligible applicant. For a small grants program, for instance, it may not be proportionate to assess for financial viability.

(b)   Project eligibility criteria

Designing project eligibility criteria is about outlining the minimum requirements a project must meet to receive funding.

Project requirements used for community grants programs can include:

• increasing community cohesion and social inclusion

• building skills and knowledge within the community

• creating opportunities for volunteering

• addressing an identified need in the community.

Project eligibility criteria should be proportionate to the amount of assistance being offered and the type of projects being funded.

It can also be useful to outline activities that are not eligible for grant funding under the program. These may include items such as recurrent costs, prizes and debt repayment.

(c)   Project assessment criteria

If a community grants program is run on a competitive basis, criteria should be established to decide the relative merits of projects. Criteria applied to assessing community projects can include:

• alignment with the Council's Community Plan, or more specific purposes, such as sporting, community or cultural outcomes

• value for money

• cross-benefits or fundraising opportunities for other community organisations.

PROGRAM PLANNING

The next stage of developing a community grants program is to plan and develop the processes, templates and tools required to deliver the program policy.

At a minimum, it is recommended the following planning activities are undertaken when developing your grants program:

- designing program processes
- delegation and governance planning
- risk management planning
- program information planning
- communications planning
- evaluation and review planning.

It is recommended that the outcomes of these planning activities are recorded in the program policy.

The following sections provide guidance on completing these activities.

PROGRAM INITIATION

PROGRAM PLANNING AND DEVELOPMENT

Planning and developing the processes, procedures and forms required to implement a grant program

- Designing program processes
- Delegation and governance planning
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PROGRAM IMPLEMENTATION

CLOSURE AND EVALUATION

1. DESIGNING PROGRAM PROCESSES

Program process design is about selecting the most appropriate process model to appraise and fund applications under a program.

Community grants programs are generally run to a non-competitive or competitive process model.

The process stages used for these models are shown in *Figure 3* and align with stages commonly used in grant management system platforms.

Figure 4 shows the program characteristics of each model to assist in deciding an appropriate process model for a program.
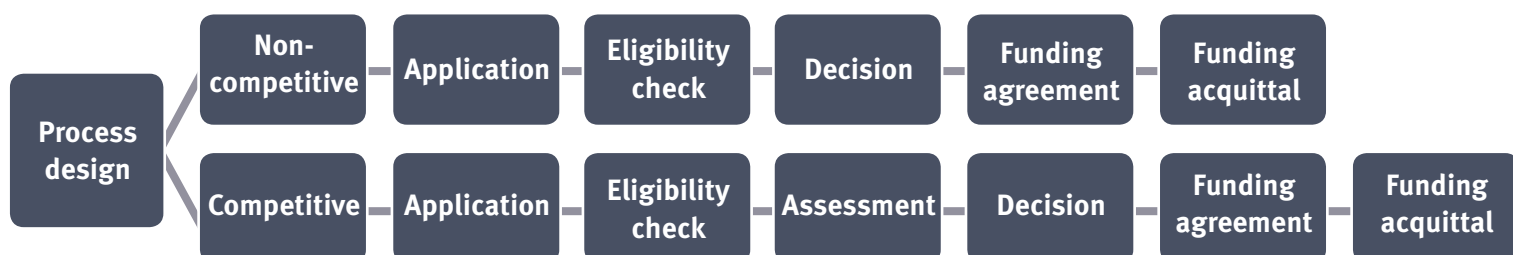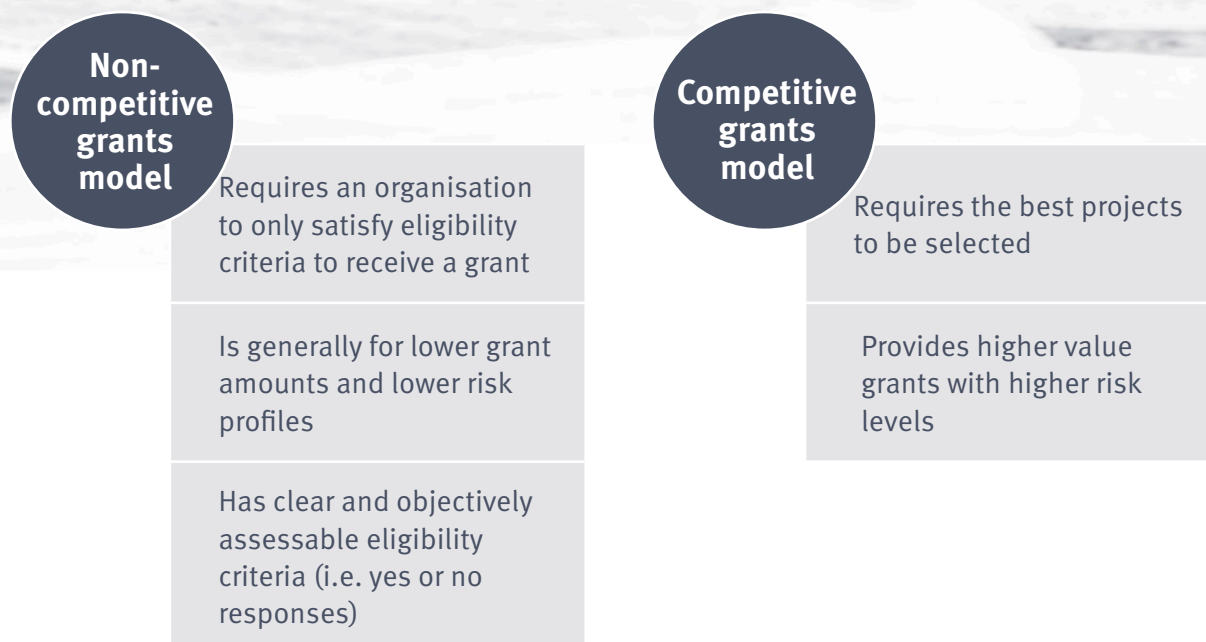

Figure 3 Program process design

Non-competitive grants model

- Requires an organisation to only satisfy eligibility criteria to receive a grant

- Is generally for lower grant amounts and lower risk profiles

- Has clear and objectively assessable eligibility criteria (i.e. yes or no responses)

Competitive grants model

- Requires the best projects to be selected

- Provides higher value grants with higher risk levels

Figure 4 Characteristics of competitive and non-competitive grant models

(a) Application planning

The application planning stage is mainly about designing an effective application form whether online or paper-based.

It is important that application forms:

- align with program guidelines

- collect all information required to assess the application and understand how funds are going to be expended

- collect information required to perform a program evaluation

BETTER PRACTICE TIP: APPLICATION FORMS

Application forms should:

- be easy to complete

- make completion of all information fields mandatory

- request full applicant details including legal name, legal structure, ABN details, incorporation details

- request all information required to complete assessments

- collect information required for reporting and evaluation

- comply with the Information *Privacy Act 2009* (Qld).

Many councils use online platforms to assist with application submission and processing. If you are not currently using an online platform and are considering this change, some considerations are outlined below.

Advantages of online portals	Disadvantages of online portals
Optimisation and efficiencies in administration: • automated processes (i.e. notification emails, payments) • reduction in administrative steps (i.e. filling out excel spreadsheets).	Can be challenging to maintain staff with the skillset to use the system. This may present risk of having limited personnel to manage one or more grant programs.
Improvements in quality of service delivery: • equitable applicant accessibility • consistency in delivery • tailored to applicant needs • clear entry points for applicant submissions • forms configured to ensure all responses have been provided before application submission.	Commitment from staff and continuous training is often required to use the system's complete capabilities.
Reduces cost associated with grant management processes.	The cost of an online system may not be proportionate to the size and scope of the grant program being delivered.
Provides clear audit trail and accountability as well as data analysis capabilities and ease of reporting.	Takes time and capacity to transition historical records to a new system and there may be consequences for record keeping systems.
Meets applicant expectations that there will be an option to submit applications online.	Requires personnel who can manage technical enquiries associated with submitting online applications and use the system more generally.

Figure 5 Advantages and disadvantages of online portals

(b)   Eligibility check planning

Eligibility checking is the first step in determining if an application meets the necessary criteria to be considered for a grant.

The process of checking eligibility criteria is normally supported using a simple checklist form to record if an applicant meets criteria.

If the program is designed to a non-competitive grants model, this stage represents the entire assessment for an application.

An appraisal eligibility checking form template is provided at *Figure 6*.

Eligibility checking template		
Applicant details:		
[Name][Organisation][Address][Contact details]		
Eligibility criteria	**Criteria Met [Yes/No]**	
#1	Yes ☐	No ☐
#2	Yes ☐	No ☐
#3	Yes ☐	No ☐
Is this application eligible?	Yes ☐	No ☐

Figure 6 Eligibility checking template

(c)   Assessment planning

The assessment stage is required for programs being delivered to a competitive grants model.

At this stage, proposed projects are collectively assessed against project assessment criteria to select the most aligned projects for funding.

In assessing applications, the emphasis should be on the quality of the project rather than the quality of the application.

A scoring system should be used to rank applications for selection. This system should include a basis for scoring criteria and a weighting for criteria.

A scoring system should be decided on the volume of applications anticipated. The larger the volume, the more expanded the scoring system should be to produce an accurate ranking, say 1-10 as opposed to 1-5.

Alternatively, a qualitative scoring scale can be used such as ranking projects, for instance as *Unsatisfactory/Satisfactory/Good /Excellent*.

(d)   Decisions

Decision planning is about establishing the decision-making levels for grants.

The officer level selected should be proportionate to the grant amount being provided under a program.

Decisions for grant programs should be impartial, appropriately documented and reported, publicly defensible and lawful.

BETTER PRACTICE TIP: ASSESSMENT FORMS

Assessment forms should include:

- an outline of the scoring system to be used
- information and instructions for the assessor
- clear assessment criteria including clear weighting for criteria.

(e)   Funding agreements

Funding agreements outline the terms and conditions attached to grant funding. These agreements can include acquittal requirements and other types of monitoring which support accountability and risk management.

The following approaches are recommended to achieve proportionality in your funding agreements:

- For small grants:
    - incorporate the funding agreement into the application form so the applicant agrees to the funding conditions at the time of application; or
    - pay the grant funding on a rebate basis, upon approval and receipt of evidence of grant expenditure.

- For medium to large grants:
    - send a funding agreement to successful applicants along with the grant approval letter. A formal response of acceptance is then required before funding is provided.

(f)   Funding acquittal process and reporting

Acquittal planning is about managing how grant funding is spent by successful applicants. This allows council to ensure grants are being used for approved projects.

Funding acquittal reporting is part of this process and is used to collect evidence of grant expenditure to assist with achieving financial accountability and minimising the risk of fraud.

The funding acquittal and reporting requirements should align with the process model being used for the grant program. *Figure 7* outlines how this planning may differ between a program run to a non-competitive and competitive grants model.

Non-competitive grants model	Competitive grants model
Funding acquittal	
Grant funding acquitted in full upon application approval.	Milestone schedule, based on a standard percentage payments regime provided to the grant recipient for agreement. Can be renegotiated on request via a milestone variation form.
Acquittal reporting	
Simple evidence to show funds have been acquitted for the intended purpose. However, reporting is not always required and agreement to terms and conditions may suffice.	Acquittal reports which include a project budget review with evidence of grant expenditure, statement of how funds spent and a description of how the program outcomes were achieved.

Figure 7 Funding acquittal process and reporting

2. DELEGATION AND GOVERNANCE PLANNING

Delegation and governance planning is about deciding and recording:

- decision makers for the approval of grants
- officers or officer levels who will perform eligibility checks, assessments and grant decisions
- officers authorised to sign funding agreements.

There should be a separation of duties between these process stages. If possible, no single officer should assess, decide and make grant offers to applicants.

Potential conflicts of interest that may arise around personal interests or associations should also be considered when planning delegations.

3. RISK MANAGEMENT PLANNING

Risk identification and mitigation can be important to the successful delivery of grant programs.

For grant programs, risks can be classified as general or specific.

General risks commonly arise in all grant administration processes and include conflicts of interest and fraud.

Specific program risks can occur around:

- program design
- administrative and stakeholder capacity
- the relationship between the council and grant recipients
- experience, capacity and history of grant recipients
- nature of grant activities.

An effective way of managing risk is to use a register to document risks as they arise and the actions for minimising or removing them.

BETTER PRACTICE TIP: DELEGATION AND GOVERNANCE

Delegation and governance arrangements should:

- be clear and detailed
- be proportionate to the funding amounts available under the program
- demonstrate clear separation of duties between staff undertaking each step of the administration process.

4. PROGRAM INFORMATION PLANNING

Program information planning is about developing documents to assist potential program applicants.

These documents include program guidelines, frequently asked questions (FAQs) and funding agreements.

This information should be delivered in a simple, easy to understand format while still providing necessary information about the program. If drafted well, these documents can help increase program uptake and minimise incomplete or ineligible applications.

Legislation relevant to developing program information includes:

- the *Right to Information Act* 2009 (Qld)
- the *Information Privacy Act* 2009 (Qld).

(a)   Guidelines

The program guideline provides potential applicants with the information they need to understand the program and apply for a grant.

Figure 8 outlines the information recommended for inclusion in guidelines.

Guideline requirements
Purpose, scope, objectives and desired outcomes of the program
Total funding available and any limitations, e.g. in-kind funding
Application opening and closing dates
Types of projects or purposes that will or will not be funded
Processes used to select funding recipients, including all funding decision criteria
Details of the decision-making process and how that discretion will be exercised
Details of entities eligible to apply for or receive funding and any that are not eligible
Processes that eligible entities need to follow to apply to the program, including information required to accompany any application and application deadlines
Details of terms and conditions that may apply to grants, including reporting and other accountability requirements
Details about how approved grants will be administered to achieve the stated objectives of the granting activity, including any obligations grant recipients will need to satisfy

Figure 8 Guideline requirements

BETTER PRACTICE TIP: GUIDELINES

It is recommended guidelines are:

- developed in addition to program policy documents

- written as a single source of applicant information

- designed to contain all the necessary details for a potential applicant to understand the program and apply

- well formatted, clear, consistent and fit for purpose

(b)   Frequently asked questions

Frequently asked questions (FAQs) should provide useful information to applicants which may not be covered in program guidelines.

FAQs should be drafted from the perspective of an applicant and provide answers which are simple and direct.

It is also good practice to group questions together based on the topic and to order questions from the simplest to the more complex.

FAQs should be periodically updated to add additional questions asked by applicants.

BETTER PRACTICE TIP: FREQUENTLY ASKED QUESTIONS

It is suggested that a FAQs document:

- is developed for all grant programs, irrespective of size or complexity

- does not duplicate information provided in the guidelines

- is clear, simple to understand and easily accessible to potential applicants

FAQ requirements
FAQs should be categorised to group together questions relating to similar topics
Answers should be simple and direct
If an answer involves details available on another part of the website, link to that page. Do not replicate the website on the FAQ page
Start with questions that are most common and follow with less common and more complex questions

Figure 9 FAQ requirements

5. COMMUNICATIONS PLANNING

Communications planning is the process of identifying and communicating key information to program stakeholders.

Effective communications can increase participation in grant programs, improve the quality of applications and support a broader community understanding of the purpose and benefits of a program.

Suggestions for program communications include:

- Using pre-application communications and a 'contact us first' approach if low application rates are anticipated. This can also help reduce late and incomplete applications and manage applicant expectations.

- Publishing successful applicants on the council's website. This is good practice and can help communicate the benefits of grant programs to the community.

Public reporting is important for transparency and building confidence in the community about the quality and integrity of the grant program. It is recommended that councils publicly report on grants awarded in a consistent and timely manner.

Public reporting is often completed through web-based processes such as GrantConnect or council's website. If public reporting is not possible due to confidentiality or other privacy reasons, as much information as legally possible should be made available, along with the reason why information has been withheld.

6. PROGRAM EVALUATION AND PERFORMANCE PLANNING

Program evaluation and performance reviews can help demonstrate accountability for public funds and assist towards policy and process development for future programs.

They can also help demonstrate the benefits of council funding and can support communications about this to the community.

Reviews should ideally occur at the end of program rounds or upon program closure.

The performance aspect of reviews may include an appraisal of the administrative processes of the program comparing outcomes against performance measures. These may include:

- responding to enquiries regarding the grant program within prescribed timeframes

- assessing and deciding application outcomes within a specified number of days from receipt

- advising successful and unsuccessful applicants of the outcome of their application within prescribed timeframes.

Effective evaluation requires clear objectives from the outset about intended outcomes for the community. Methods that can be used for evaluation include case studies and follow-up surveys. Story telling can be useful in demonstrating the longer-term impacts of grant funding and surveys can be used to build data on intended and actual impacts, for instance the number of volunteers engaged.

An evaluation plan for a community grants program can be developed to set out measures and strategies for capturing the data needed to evaluate the program.

The plan should be proportionate to the scale, complexity and risk of the grants program and include a 'terms of reference' for a final evaluation, or periodic evaluations where necessary.

IMPLEMENTATION, CLOSURE AND EVALUATION

On completing the initiation and planning stages, grants programs are ready to deliver to organisations. Upon closure, program evaluation can be performed to complete the grant lifecycle.

PROGRAM IMPLEMENTATION

The implementation stage for a program commences with the launch of a program or new program round.

This stage is about implementing the outputs of the policy and program planning activities including application processing from receipt to funding and associated activities such as communications.

CLOSURE AND EVALUATION

The program closure and evaluation stage is about performing any activities required to finalise the program and undertaking a program evaluation and performance review in accordance with the outputs of the planning stage.

TALK
TO US

Thank you for using QRIDA's *Community Grants program management guide for Queensland local government.*

We hope you found this guide informative and it has provided you with practical information to assist with developing a community grants program. We welcome feedback on this guide and encourage you to reach out to QRIDA if you wish to give comment on this publication.

QRIDA can help

If you are interested in engaging QRIDA to assist with implementing the processes provided in this guide or to complete a tailored review of your community grants program, be sure to enquire about QRIDA's grant program review service. This is a no-cost service for Queensland local government which analyses your program documents and processes and provides a report on outcomes and potential areas for improvement.

To provide feedback or enquire about QRIDA's grant program review service, please contact us using the details below:

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Right to Information Act 2009 (Qld)

Contact us

QRIDA's head office is in Brisbane and Regional Area Managers are located in Brisbane, Bundaberg, Cloncurry, Emerald, Innisfail, Kingaroy, Mackay, Rockhampton, Roma, Toowoomba and Townsville.

Contact us on **Freecall 1800 623 946** or email contact_us@qrida.qld.gov.au for more information.

Queensland Rural and Industry Development Authority

Level 26, 32 Turbot Street Brisbane QLD 4000

GPO Box 211 Brisbane QLD 4001