

Fee Waivers and Subsidies Policy

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1. Purpose

This Policy:

- Cover the hire of Council managed assets including public reserves, public halls, sports fields, waterways, and any other facility which Council manages (excluding the Shoalhaven Entertainment Centre)
- Defines the framework for assessment of applications and calculation of subsidies, waivers or any other form of fee relief or support
- Satisfies Clause 610E of the Local Government Act by determining categories under which Council may waive or subsidise fees.
- Applies to the hire of Council managed assets (exclusions are noted in item 2)
- Ensures that subsidies provided under this Policy are equitable, transparent and effective, reducing the risk of corrupt conduct
- Ensures that subsidies comply with all known legislation, guidelines and regulations
- Defines Council's criteria for the approval under delegation of any reduction in adopted fees, clearly identifying responsibility and accountability levels
- Encourages optimal use of community facilities and assets by local community organisations and recreation groups
- Recognises the social value and benefits of services and activities organised and provided by community-based groups and supports these groups by community-based pricing
- Ensures that Council obtains contributions from user groups towards the costs of providing facilities, services and assets
- Documents the reporting requirements for subsidies given to each community group

2. Statement

Shoalhaven City Council owns and manages facilities throughout the Shoalhaven, providing for a range of social, political and economic service provision. Council recoups a small percentage of these costs through service provision and hire Fees and Charges, with the intention that the users of facilities contribute in an equitable and transparent manner.

Council's Fees and Charges Policy determines the fees and charges for the hire of Council's facilities. Fees and charges are calculated annually and exhibited for 28 days in line with the Local Government Act 1993, normally during the months of April and May each year. Under the Local Government Act, any further changes to Fees and Charges throughout the year are required to be adopted by Council and placed on public exhibition for a required period.

This Policy defines the framework by which Council may provide fee waivers, subsidies or support beyond the Fees and Charges Policy without the requirement for public exhibition. Subsidies are calculated using the Fee Subsidy Calculator, which documents and considers a range of socio-economic variables and determines a percentage discount for a hire event.

Fee support is subject to budgetary constraints which will be reviewed by the Council's Asset Custodian for facilities and/or services.

The Policy applies to all applications for fee support for Council managed community facilities for either casual or regular hire, including:

- Public parks and reserves directly managed by Council
- Public facilities and buildings directly managed by Council
- Council's Section 355 Management Committee community facilities

Excepting Clause 3.5, this Policy does not apply to:

- Water or Sewer Funds, which are separately covered under the Community Service Obligation Policy consistent with the NSW Government Water Supply, Sewerage and Trade Waste Pricing Guidelines adopted by Council
- Shoalhaven Entertainment Centre, which has its own hiring policy given the different arrangements in place but will reference this policy when waivers are being evaluated.
- Ranger or Shoalhaven Animal Shelter waiving of fees as determined under the *Fee Waivers – Ranger Services Unit*
- Development applications and other fees that are determined under the *Fees – Waiving of Development Application and Other Fees for Charitable Organisations and Community Groups*
- Most lease arrangements as determined by Property under Occupation of Council Owned or Managed Land, where commercial arrangements are optimised

2.1 Definitions

Term	Meaning
Competitive neutrality	Competitive neutrality principles require that a government agency that is engaged in a "significant business activity" must not enjoy any net competitive advantage over its private sector competitors by virtue of its public ownership. Such advantages might include

	immunity from certain government charges, lower capital costs or statutory immunity from regulatory compliance.
Direct cost	All costs that can be specifically and easily identified with the service being provided, including employee benefits and non-salary items
Employee benefits	Comprises salary and wages expenses together with associated on-costs (annual leave, long service leave, sick leave, superannuation, payroll tax, training, etc)
Fee support	A general term referring to either Subsidy or Waiver provided by Council
Subsidy	A financial contribution to help or encourage an event to happen. A subsidy can take the form of a transfer of funds or foregone revenue.
Waiver	An approved full relinquishment granted to an eligible organisation

3. Provisions

3.1. Fee Support – Other Funding Bodies and Government Agencies

Council provides facilities at highly subsidised rates of partial cost recovery.

It is required that before any subsidy or waiver is considered an approach is made by the hirer to State or Federal Government agencies or other funding bodies to seek support. Grant funding bodies such as Sports Australia, Department of Regional NSW, Office of Sport and Destination NSW frequently offer funding opportunities to event organisers.

3.2. Eligibility

Levels of subsidy may be applicable under this Policy, based on the following conditions:

- Benefits accrue to a wider group than direct users
- Services are provided specifically to groups who do not have the capacity to pay
- Council has a long-term policy objective of encouraging or supporting an activity or a specific group of people
- The proposed use of the facility or asset is consistent with the main purpose of the organisation and the event is open to the public
- The proposed use is for a non-commercial community-based event, which may be for community development, education and/or awareness activities

To be eligible for a subsidy, organisations are required to provide the following information:

- Evidence of registration as a Charity or Incorporated Not For Profit organisation, registered within the Shoalhaven Local Government Area
- Evidence of what is being done to provide community betterment if a non-incorporated body or individual
- Financial statements of the organisation, i.e. bank statements and financial reports (Bank Statement, Profit and Loss and Balance Sheet, as a minimum)
- Details of any previous subsidies provided or alternate funding from other sources

Fee Subsidies are calculated in accordance with the Fee Calculator (Attachment 1), taking into consideration the degree of eligibility criteria as above.

Applications must be submitted by Application Form (Attachment 2), a minimum of three months prior to the date of the booking.

No retrospective requests will be considered.

3.3. Public Programs

From time to time, Council will introduce Public Programs which need to be individually costed with any subsidies determined being applied to the individual programs and reported to Council.

3.4. Applications

Applications will be assessed by the Asset Custodian, or Council Department overseeing the service in accordance with the Fee Waivers and Subsidies Policy and Procedure (PRD21/91).

3.5. Promotional and Marketing Activities

From time-to-time certain businesses within Council will offer initiatives or promotional ticketing to market an event or facility. These offers may include:

- Reduced pricing offers or vouchers for accommodation in Holiday Haven
- Tickets to events at the Entertainment Centre
- Reduced pricing to events at aquatic centres

These offers will be documented and captured in Council's annual Report.

3.6. Ineligible Waivers

Fees cannot be waived under the following conditions:

- Management Committees do not have authority to waive/subsidise fees. Applications will be assessed under this Policy by Council's Asset Custodian. Alternatively, application could be made for a donation under Council's Donations Policy
- Where other Council assistance is provided for the event or to the organisation in the same Financial Year
- For meetings of an organisation that are closed to the community
- For marketing, advertising or promotion of a commercial entity
- Where fees are for Bonds, additional garbage or waste services or the cost of cleaning associated with the event /activity and use of the facilities (i.e. hard costs such as labour, electricity, etc.)

Note: Bonds are held to reimburse Council for damage or cleaning costs and may be partially or fully waived based on past dealings with the hirer or the type of activity to be undertaken, in accordance with this procedure or at the discretion of the Asset Custodian. If the extent of damage or cleaning exceeds the bond, then Council may seek compensation for all associated costs.

3.7. Delegations and Authorities

Authority levels for fee waivers and subsidies for approved organisations shall be as follows:

Waiver / subsidy amount	Approver
All subsidies up to \$4,000	Director
Any subsidies over \$4,000	Council
Waiver or subsidy to an individual – any amount	Council

In accordance with Section 377 of the Local Government Act 1993, the Chief Executive Officer may authorise payment of a Subsidy or Waiver adopted by Council, other than where it is a decision under Section 356(2) to contribute money or otherwise grant financial assistance to an individual. Financial assistance or payment to an individual must be authorised by Council resolution and following a 28-day public exhibition period, if applicable.

3.8. Reporting

An annual report shall be submitted to Council detailing all fee support granted under this Policy. The fee support shall be recognised in Council's Annual Report.

4. Implementation

The Director City Performance will be responsible for co-ordinating the review of this policy.

5. Review

The responsibility for the review of this policy sits with the relevant departments i.e., Hire of Community Facilities, etc.

To be reviewed:

- within one year of the appointment of a new elected Council
- as directed by Council
- as a result of a review in legislation that affects this policy

Attachment 1 – Fee Waivers and Subsidies Calculator (D17/139578)

Shoalhaven City council

Update all Yellow highlighted cells

Public Program Price Calculator
for the 15/16 Year

Council Department:
Council Program

No. of Participants
No. of Ratepayers

No. of Days Program to run
Duration of Program (hrs)

(i) Operating Expenses (enter actual costs for the program)

Direct Costs:-	Employment Costs	<input type="text"/>
	Facility Hire costs	<input type="text"/>
	Marketing Costs	<input type="text"/>
	Depreciation annually	<input type="text"/>
	Materials	<input type="text"/>
	Other Costs	<input type="text"/>
	subtotal	<input type="text"/>
Indirect Costs:-	Statutory Fees (if applicable)	<input type="text"/>
	Oncosts	<input type="text"/>
	Internal Overheads	<input type="text"/>
	<small>(update %)</small>	<input type="text"/>
	subtotal	<input type="text"/>

(a) Other Revenues

Grants	<input type="text"/>	GST	<input type="text"/>
Interest on Investments	<input type="text"/>	<i>Enter percentage GST if applicable</i>	
Other income offsets	<input type="text"/>	Bond Amount	<input type="text"/>
total	<input type="text"/>	<small>Should this be included in the cost rec</small> <input type="text"/>	

(ii)a. WDV of Assets Employed (enter total value)

Infrastructure	<input type="text"/>
Property	<input type="text"/>
Plant & Equipment	<input type="text"/>
total	<input type="text"/>

(2) Price per program

	Price per program	Subsidy per program	Subsidy per Ratepayer	Net Cost ie. Total Subsidy
Direct costs				
Funded by General Rate Income	Free	-	-	-
Legislated Fee	<input type="text"/>	-	-	-
Partial Cost Recovery	<input type="text"/>	-	-	-
Price Including GST (if applicable)	<input type="text"/>	<small>Subsidy Percentage</small>	-	Net Cost

(ii)b. Net Working Capital Utilised (enter only if required)

Cash	<input type="text"/>
Debtors	<input type="text"/>
Stores	<input type="text"/>
total	<input type="text"/>

	Price per program	Subsidy per program	Subsidy per Ratepayer	ie. Total Subsidy
Direct + Indirect Costs				
Funded by General Rate Income	Free	-	-	-
Legislated Fee	<input type="text"/>	-	-	-
Partial Cost Recovery	<input type="text"/>	-	-	-
Price Including GST (if applicable)	<input type="text"/>	<small>Subsidy Percentage</small>	-	Net Cost

(iii) Return on Capital

Long Term Commonwealth Bond Rate	<input type="text"/>
Required Return on Capital	<input type="text"/>

	Price per program	Subsidy per program	Subsidy per Ratepayer	Net Cost ie. Total Subsidy
Prices inclusive of GST if applicable				
User Pays (DC)*	-	-	-	-
User Pays (DCO)*	-	Nil	Nil	Nil
User Pays (ROC)*	-	Nil	Nil	Nil
User Pays (Mkt)*	-	Nil	Nil	Nil

(iv) Commercial Return

Rate of Required Return (incl. Return on Capital) Enter as a percent	<input type="text"/>
Required Profit	<input type="text"/>

*User Pays (DC) - Full Recovery of Direct Costs

*User Pays (DCO) - Full Recovery of Direct Costs + on-Costs / Overheads

*User Pays (ROC) - Cost Recovery + Return on Capital

*User Pays (Mkt) - Commercial Return / Market Prices

Attachment 1 (cont.) – Fee Waivers and Subsidies Calculator (D17/139578)

HIRER:
 PREMISES: TYPE OF HIRER:
 FINANCIAL SUPPORT RECEIVED:

CATEGORY TABLE DETERMINING the LEVEL of SUBSIDISATION

The level of subsidisation will be determined by assessing each user against the criteria and evaluating their weighted distribution across the categories.

Category	Level of Subsidisation	From (>)	To (<=)
A	High	90%	100%
B	Medium	50%	90%
C	Low	0%	50%
D	None	0%	0%

Criteria	Category A (90%-100% subsidy). Each answer worth 4 points.	Rating	Category B (50%-90% subsidy). Each answer worth 3 points.	Rating	Category C (! 50% subsidy). Each answer worth 2 points.	Rating	Category D (No subsidy). Each answer worth 1 point.	Rating
Extent of Service provided by the organisation or sporting group	Broad community (more than 40%) is a beneficiary of service provided by organisation or sporting group	0	Service is significantly used (more than 20%) by a number of specific sections of local community (families & children)	0	While the organisation/sporting group provides a direct service to only a small number in the local community, it forms part of a larger service provision	0	Service/Sport only used by small number of local community (less than 1,000 people)	1
Extent of availability of Facility/Event/Sport to general community	Facilities/Event/Sports are available to everyone in Shoalhaven community	4	Facilities/Event/Sports generally available to Shoalhaven community	0	Facilities/Event/Sports have limited availability to others in Shoalhaven community	0	Facilities/Event/Sports not accessible or has limited access to others in community	0
Number/Type of Service Providers	A unique service/sport (only one of a kind)	0	One of a number of providers of a community service/sport.	0	One of a number of providers meeting a less critical community need	0	Provider meets only one social or recreational need only.	1
Organisations ability to charge fees & raise income	Limited or no ability to raise revenue by charging fees and raising income	0	Some ability to raise revenue & charge fees which may be varied to reflect ability of clients to pay.	0	Has ability to charge fees & raise revenue	2	Operates or has ability to operate on profit basis	0
Access to Other Sources of Funding	No access to other funding sources other than donations	0	Limited access to other sources of funding (no more than 5% total)	0	Access to other sources of funding - State, Federal or Local, grants, VUCS and sponsorship funding which provided between 5-30% of total funding.	2	Access to other sources of funding - State, Federal & Local funding which provided more than 30% of funding.	0
Do they provide direct competition to commercial ventures	No. Main activity is not a commercial activity	4	While main business is not a commercial activity, some aspects of business are in direct competition with commercial providers	0	While they are in direct competition with commercial providers they provide added or differentiated service to users	0	In direct competition with commercial providers	0
Does their service impact on Council's need to provide similar service?	Without this service provision Council would be required to provide this service	0	Lack of service would have some impact on Council's provision	0	Service is not core responsibility of local government but could be provided	2	Service is not responsibility of local government	0
Organisation status and structure	Locally based, stand alone and not for profit. Voluntary management committees, including local area representatives.	4	Locally based with a regional focus. Financially independent; self governing; not for profit. Has a voluntary management committee, including local area representatives.	0	Locally based organisation, part of a larger not for profit organisation. Operates on voluntary advisory committee, including local area representatives.	0	Part of a larger not for profit organisation with limited or no representation on advisory committee. Or profitable business	0
Reactive & Ongoing maintenance/structural integrity	Takes responsibility for all internal & external reactive maintenance	0	Takes responsibility for almost all of the internal & external reactive maintenance	0	Takes responsibility for some of internal & external reactive maintenance	2	Does not take responsibility for internal & external reactive maintenance	0
Capacity to undertake range of administrative and management responsibilities	Dependent on assistance from volunteers for all administrative and management functions.	4	Paid staff undertake some of the administrative and management functions and volunteers assist with other tasks	0	Staff undertake majority of administrative and management functions with additional assistance provided by umbrella organisation.	0	Umbrella organisation carries out majority of administrative and management functions.	0
Social and community benefit from the event or sporting activity	Service is unique or specific and meets a high level of need. Or service meets identified social/community needs with most service users from low socio-economic background.	0	Service meets identified social/community needs, with service users from range of socio-economic backgrounds.	0	Service meets a broad social/community need.	2	Service is valued by community but it is not focused on meeting an identified social/community need.	0
Council Financial Support	Have received no Council support funding this financial year	4	Has received less than \$500 in Council support funding this financial year	0	Has received more than \$500 and less than \$1,000 in Council support funding this financial year	0	Has received more than \$1,000 in Council funding this financial year or is a business	0
Are any social inclusion criteria met?	Does the organisation cover at least 3 of the following criteria: players over 65, socially disadvantaged, disabled, culturally or linguistically challenged or female (depending on the sport). Or is it a priority area for Council?	4	Does the organisation cover at least 2 of the following criteria: players over 65, socially disadvantaged, disabled, culturally or linguistically challenged or female (depending on the sport). Or is it a priority area for Council?	0	Does the organisation cover at least 1 of the following criteria: players over 65, socially disadvantaged, disabled, culturally or linguistically challenged or female (depending on the sport). Or is it a priority area for Council?	0	Does the organisation does not cover any of the following criteria: players over 65, socially disadvantaged, disabled, culturally or linguistically challenged or female (depending on the sport). Or is it a priority area for Council?	0
Number of answers met in each category		24		0		10		2
TOTAL SCORE		36						
CATEGORY	Category A		Category B		Category C		Category D	
RANGE FROM	37		25		13		0	
RANGE TO	52		36		24		12	
HIRER FALLS INTO CATEGORY			Category B					
LOWEST LEVEL OF RANGE IN EACH CATEGORY TO TOTAL SCORE OVER TOTAL NUMBER OF RANGE (e.g If Total Score equals 28 then Category B applies hence 28 minus 25 divided by 12 i.e Category B range 25-36)			100.00%					
NUMBER OF PERCENTAGE ABOVE			40.00%					
LEVEL OF SUBSIDY			90.00%					
TOTAL LEVEL OF SUBSIDY		90.00%						

Attachment 2 – Fee Waivers and Subsidies Application Form

Application for Fee Support in **Financial Year** ____/____

Please note – fee support is subject to budget constraints and may not be approved

This form must be submitted a minimum of three (3) months prior to the booking

No retrospective requests will be considered

Date: _____

Details of Applicant:

1. Name of Applicant Signature:
Email Phone:.....
2. Position in Organisation
3. Name of Organisation responsible for the event/activity?
4. Quoted Hire Fees for this event \$.....
5. Amount of assistance being sought: \$.....
6. Organisation type: Non-Profit / Charity / Incorporated/other (*please circle*)

Please attach documentation/certification for above, according to one of the following registrations:

- a. Charities registered on the Australian Charities and Not-for-profits Commission (ACNC) Register.
- b. Other organisations:
 - Incorporated as an Association with the Department of Fair Trading - provide incorporation number (as per 2009 Association and Incorporation Act, Number 4, clause 3), or
 - Endorsed by the ATO to obtain Deductible Gift Recipient status on the Australian Business Register - <http://www.abr.business.gov.au/>

Commercial undertaking	YES / NO
Do membership fees apply	YES / NO
Amount charged for membership	\$ _____
Number of people in organisation/members	_____

7. Office bearers of organisation (President, Secretary, Treasurer or Project Manager):
.....
.....

8. Please provide details in relation to financial sustainability of the organisation, including a copy of applicant's/organisations Profit and Loss Statement and Balance Sheet for

the previous Financial Year, as a minimum. This information is provided to show evidence that the organisation is financially sustainable without further support from Council

Title of Event/Project

1. Please give a brief description of the event/project for which assistance is sought:

.....
.....
.....

Number of attendees expected:

2. Is this proposed to be an annual event/project? YES/NO

3. Date/s of the proposed event/project

4. Where will the event/project take place?

5. Is the event open to the community?

6. How will the event cater for social inclusion and provide social benefit?
Which groups will benefit?

.....

7. Does the service/event impact on the need for Council to provide similar services

.....

8. Will an entry fee be charged?.....

9. Name of Public Liability Insurer.....

10. Amount of insurance cover \$

11. Will the event/project support charities YES/NO

If YES, % events income \$

Funding

1. Is this event receiving financial support from other SCC departments? Provide details including how much and which department?

.....

2. Cost of the total event/project \$

3. How much are you seeking from Council \$

4. Organisation's funds available at present to go towards event. Please provide a project budget/plan. \$.....

5. How are funds to be raised?

.....

.....

.....

6. Has Council previously granted subsidies or assisted/sponsored your organisation?

YES/NO

7. What was the amount (per annum) of the assistance from Council? \$.....

YEAR \$

YEAR \$

8. Have you applied for funding from other government organisations, groups, agencies or organisations? (Note from the Policy: Before any subsidies to a fee or charge are considered an approach is to be made to State or Federal Government agencies or other organisations to determine if they can provide support).

YES/NO

9. If YES

How much has been sought \$.....

Name of Group or organisation

Successful amount \$.....

How much has been sought \$.....

Name of Group or organisation.....

Successful amount \$.....

10. Will this event/project be self-funding in the future?

YES/NO

If NO, will the event/project be dependent on future funding from Council?

YES/NO

11. Detail the benefit to Council arising from the fee support (eg. increases participation by community / activation of Council facilities / aligns with Council's Integrated Strategic Plan):

.....
.....
.....
.....

12. How will you recognise and acknowledge Council's support arising from the fee support?

.....
.....
.....

Council Use Only

Fee as stated in the Fees & Charges
Is this request over \$4,000 - Report to Council required?

Comments:

Officer
Date.....
Comments.....

Officer.....
Date.....
Comments.....

Officer
Date.....
Comments.....

Finance Authority:

Subsidy information has been added to the Financial summary Yes/No

This payment is not a subsequent funding for this year

Yes / NoDate.....

Previous Payment Made \$.....Date

Comments.....
.....

Completed Yes/No

Comments:

Manager.....Date.....

Comments.....
Supported Yes / No

Department ManagerDate.....

Comments.....
Supported Yes / No

Comments:
Director Dependent upon group.....Date.....
Comments.....
Approved / Declined up to \$4,000 (otherwise report to Council)

This form is for the purpose of Shoalhaven City Council insurance requirements and for administrative purposes. The information will be used solely by Council officials for the purpose mentioned above. The applicant understands that this information is provided on a voluntary basis and they may apply to Council for access to, or amendment of, the information at any time.