

<b>Title:</b>	Business and Tourism Innovation Grants Policy
<b>Type:</b>	<b>Council</b>
<b>Adopted:</b>	24 January 2018
<b>File No:</b>	18/1698
<b>Attachments:</b>	

### 1. Purpose

The purpose of Business and Tourism Innovation Grants Policy (Policy) is to enable the delivery of Council's business and event funding streams in a transparent and equitable manner.

### 2. Rationale

The objectives of the Grants are to provide financial support to:

- grow businesses
- start businesses
- support sustainable events that grow tourism

These objectives will lead to the outcomes of increased employment opportunities and increased investment in the local economy.

Council will therefore make funds available to:

1. Businesses or organisations that can demonstrate:
  - funding received will facilitate economic growth within Murrindindi Shire
  - funding received will facilitate greater employment outcomes within Murrindindi Shire.

and

2. Organisations that will deliver events that attract visitation from a state, national or international base. These applications will demonstrate that the event will drive overnight stays, promote repeat visitation, and increase visitor yield.

### 3. Scope

The program will provide assistance for businesses to grow (value or employment numbers) or to commence operations.

Businesses must utilise other support services as appropriate, for example, 'Doing Business Better' activities, and/or other activities provided by the State Government and Council will not seek to fund activities that are eligible for other funding or support through State Government programs.

However, funding allocated through this program may be used to leverage further funding support from the State or Federal Governments.

Businesses are able to apply for funding in consecutive years, however, will need to demonstrate how further funding enhances previous funded activities, and will not be funded twice for the same activity.

The program will be administered over two rounds per annum. This will provide a competitive process to ensure value for money and equity.

## Business and Tourism Innovation Grants

Funds will be provided to assist with, for example (and not limited to):

- a) business or growth expenses:
  - office fit-outs
  - shop fit outs
  - factory upgrades
  - website development
  - IT equipment
  - specialised equipment
  - software
  - rent
  
- b) professional services:
  - marketing
  - wages
  - legal costs
  - accounting or financial advice
  - business advice.

#### 4. Definitions

Not applicable

#### 5. Policy

*NB In the first year of implementation a round will be held where applications can be submitted in February and March and assessed in April. Applications will reopen from May until July and assessed in August.*

*The fund and its processes will then undergo a review and it is envisaged that two rounds of applications be assessed as follows.*

The Policy is delivered via two funding rounds:

- applications submitted from September to January are assessed in February
- applications submitted from February to July are assessed in August.

The pool of grant funds will be set annually as part of the Council budget. The total pool of grant funds will be available at the August round, with the balance available in the February round.

#### Eligibility

In normal circumstances, to be eligible for a Business and Tourism Innovation Grant allocation, businesses, organisations or groups must:

- be a legal entity, have an ABN, ACN, be incorporated or have an incorporated auspice for the project
- be based in the Shire of Murrindindi or delivering a project in the Shire of Murrindindi
- be seeking funds of no greater than \$50000 and no more than 50% of the total cost of the project (this may include in kind expenses associated with the project)
- have acquitted grants previously allocated through this fund.

## Business and Tourism Innovation Grants

The Business and Tourism Innovation Grants will not allocate to the following:

- programs/projects considered the responsibility of State or Federal Government
- projects that have started
- projects that do not align with Council's current strategic priorities as outlined in the Murrindindi Shire Council Plan.

### Assessment Process

Business and Tourism Innovation Grants applications are assessed on a competitive basis through a process as follows:

Preliminary – officers provide guidance to applicants to form and prepare an application

Stage 1 – eligibility and application compliance check by officer panel:

- Business Development Coordinator
- Tourism and Events Officer
- Manager Development Services.

Stage 2 – applications are assessed by the Business and Tourism Innovation Grants Panel (Panel):

- General Manager Infrastructure, Assets and Development Services
- three skills based representatives.

Stage 3 – recommendations for allocations to Council which may choose to fund part, all or none of the funding requested.

Recommendations to Council are at the discretion of the skills based Panel and Council's decision is final.

### Assessment Criteria

The Panel will use the following general criteria to assess applications to the Business and Tourism Innovation Grants:

#### Project Focus

Does the project meet the objectives of the Business and Tourism Innovation Grants?

- grow businesses
- start businesses
- support events that grow tourism.

Does the project align with the objectives of the Murrindindi Shire Council Plan?

Is the project operating within the Murrindindi Shire?

Does the project expressly answer the criteria for each of the funding streams available?

#### Project Planning, Management and Budget

Does the project have clearly defined aims?

Is the project well planned with clearly defined timelines?

Have other funding sources been identified, sought and exhausted?

Does the application demonstrate financial viability and sound management?

Will the project be undertaken if funding is not allocated from this fund?

## **5.1 Funding Streams**

In all cases the event, project or activity:

- must align with the Council Plan

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- must align with Council's strategic direction.

The Business and Tourism Innovation Grants offer the following funding streams:

Business Support

Up to \$2000 in business skills development and mentoring support

- not a cash allocation
- includes but not limited to:
  - Workshops (may include existing programs such as Doing Business Better and other offered by Business Vic):
    - mentoring services
    - business planning skill development
    - financial advice.

Business Growth or Establishment

Up to \$20000 in capital, marketing or operational cost support to assist with projects or activities which will allow a business to grow (either in dollars or in number of employees)

- cash allocation of no more than 50% of total cost of project
- can have business support as a component
- application alignment with submitted business plan must be endorsed by Council nominated accountant.

Industry and Economy Growth

Up to \$50000 in capital, marketing or operational cost support to assist with projects or activities which will allow a business to grow (either in dollars or in number of employees):

- cash allocation of no more than 50% of total cost of project
- can have business support as a component
- application alignment with submitted business plan must be endorsed by Council nominated accountant
- must demonstrate a strategic approach to creating a stronger industry or other benefits to the broader economy.

Events Kick Starter Program

Up to \$15000 in support of events that are starting or growing, and demonstrate the potential to draw visitation from a state wide base:

- applications must be accompanied by an events management plan
- must align with Council's key product/experience or marketing strengths.

Major Events Leverage Fund

Up to \$20000 to leverage support from a state government funding stream:

- applications must be accompanied by an events management plan
- must draw a minimum 1000 attendees, generate overnight stays and maximise the opportunities to generate repeat visitation.
- must align with the Council Plan
- must align with Council's strategic direction.

## Business and Tourism Innovation Grants

From time to time, an event or project is proposed within Murrindindi Shire which is significant but proves to require a faster response than these funding rounds allow for; or an event or project which sits outside of the Grant criteria, but aligns with Council's objectives. If this situation arises, Council officers will accept the application as per usual, but will refer it to Council outside of the funding rounds for guidance. If Council agrees, the application will be assessed by the Council officers, referred to the Panel, which will be assembled outside of the normal round timeframes. This process is expected to be enacted under extraordinary circumstances only.

### 5.2. Funding Allocation, Management and Acquittal

#### Business Support

Approved Business Support activities will be reimbursed upon receipt of appropriate documentation.

#### Cash Allocations

After a funding allocation has been made via a formal decision of Council, officers will prepare contracts in line with the application criteria and forecast outcomes. A full allocation will not be paid until acquittal documentation has been provided. Officers will structure milestone or timed payments according to the nature of the event or business project.

#### Acquittal

There are no acquittal requirements for the Business Support grant stream.

For all other grant streams the funds must be acquitted in line with the requirements of the contract at allocation. This will include (but is not limited to) documented deliverables against:

- milestones
- timeframes
- budgets.

If a business cannot demonstrate delivery of the activity for which funding was allocated, the grant will be recalled and all or part of the monies will be actively pursued.

#### Unexpended Funds

Any unexpended funds from Council's annual allocation to the program will be returned to the Infrastructure Renewal Reserve to fund the long term renewal of our community assets.

## 6. Related Policies, Strategies and Legislation

- *Local Government Act 1989*

## 7. Council Plan

This matter is directed by 2017-2021 Council Plan "Provide a seamless service for businesses and investors", and supported through the 2017-18 Priority Action Plan "Explore the options for business grants".

## 9. Management and review

The Policy will be reviewed by the Manager Development Services at July 2018.

## 10. Consultation

The basis for this proposal is the Council Plan "Have Your Say" engagement program.

## 11. Human Rights Charter

This policy has been developed with consideration of the requirements under the Charter of Human Rights and Responsibilities.