



Social Investment Funding Policy

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1. SCOPE

- 1.1 This Social Investment Funding Policy provides the principles and criteria used to assess opportunities for involvement in major community-based projects, through the use of assets, provision of infrastructure and/or the provision of funding. This policy is informed by, yet distinct from, the Grants Administration Policy, Sponsorship Policy and the regular fee subsidy policy for casual hire of facilities.
 - 1.2 Through Social Investment Funding, Council seeks to leverage the resources of The City of Parramatta to enable social innovation and achieve greater outcomes for all those who live, work and study within the local government area.
 - 1.3 This policy must be followed by all employees as well as all consultants and contractors engaged within any business units of the City.
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2. PURPOSE

- 2.1 This policy establishes how the City of Parramatta evaluates social investment opportunities. Social investment includes some form of mutual benefit for Council as the investor, the investee and the community more broadly. Through social investment, Council has an opportunity to leverage its existing assets and business-as-usual operations to achieve social outcomes and add value to those assets.
- 2.2 Social investment strategies offer Local Government a way to achieve the broad goals of its charter. The Local Government Act 1993 sets out the guiding principles by which Local Councils are run, which includes the principles of working collaboratively to meet local communities needs and to exercise decision making that is mindful of social justice, and the long term and cumulative effects of actions on future generations. In this way, all major projects of Council have the potential to incorporate social investment strategies within them to increase positive community impacts.

SOCIAL INVESTMENT FUNDING POLICY		
Owner: Service Manager	Area: Community Capacity	POL No: 346
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- 2.3 As social investment opportunities can be diverse in form and are innovative by nature and design, the purpose of this policy is to provide principles by which these opportunities are evaluated.

3. POLICY

- 3.1 City of Parramatta Council seeks to be a leader among Local Government and exercise leadership in the community to drive social innovation and find new solutions to the challenges experienced in our community. City of Parramatta seeks to collaborate with a diverse range of stakeholders to fulfill the vision for the City and achieve the best outcomes for our residents. Social investment is recognised by Council as an effective methodology to add-value to initiatives and leverage Council business for social impact.
- 3.2 Social investment begins with the strategic documents and policies endorsed by Council. It is in these documents that evidence, need, best practice and the aspirations of the community of the City of Parramatta are articulated and captured. The vision and purpose of the City is the foundation for exploration of the mutual benefit opportunities to be found in social investment.
- 3.3 Social investment opportunities can take many forms including, but not limited to:
- seeding or supporting the growth of philanthropic endeavor with a community foundation, through which members of the community and local businesses can donate money for the benefit of local causes;
 - matched funding of social innovation crowdfunding campaigns, such as the *Parramatch* campaign;
 - the dedication to Council of apartment units through voluntary planning agreements which are then leased to community housing providers to sub-lease as at affordable rates to key workers;
 - increase the economic participation of local residents experiencing disadvantage in the growing prosperity of the City through fostering social enterprise and programs like the Parramatta Skills Exchange;
 - seek social outcomes from business-as-usual purchasing through enabling social procurement;
 - fostering social innovation and entrepreneurship in the local community through the establishment of social enterprise incubators and shared work-space, managed by Council or leased to a not-for-profit facility manager; and
 - promoting the benefits of social investment and, through role modeling and social leadership, engage the businesses of Parramatta in similar strategies.
- 3.4 The business case for significant new opportunities should be presented for the endorsement of Council. The business case should set out the social, financial and environmental costs and benefits of the strategy. The business case should demonstrate its strength against the following principles:

- **Robust planning, innovation and design** which underpins efficient, effective and ethical social investment. Innovation should be led by design.
- **Diversity, Access and Equity** expressed through the design of social investment funding opportunities that address a broad spectrum of local needs, cultures and interests.
- **Explicit community benefit** expressed through evidence-based decision making and clear communication.
- **Outcomes orientation** in which social investment funding focuses on maximizing the achievement of strategic directions and lasting outcomes for the community.
- **Collaboration and partnership** in which effective consultation and a constructive and cooperative relationship between the City, business, the community sector, residents and other relevant stakeholders contributes to achieving efficiency, effectiveness and equity. This includes collaboration between different units of the City of Parramatta.
- **Community capacity building** which enables the community involved in the delivery of social investment opportunities to achieve their aspirations and foster sustainability and independence from the City.
- **Governance and accountability** in which a robust governance framework clearly defines the roles and responsibilities of all parties in the process and supports public accountability for design, decision making, maintenance and evaluation.
- **Probity and transparency** in which the funding of social investment opportunities reflect ethical behaviour, in line with Council's Statement of Business Ethics and Code of Conduct, and complies with public reporting requirements.
- **Achieving value with public money** through careful consideration of costs, benefits, options and risks.

3.5 Consistent with Section 356 of the Local Government Act, any social investment funding opportunity that seeks out external partners should be publically advertised and listed on Council's website, detailing any specific eligibility criteria. Council reserves the right to amend, suspend or alter programs at any time.

3.6 The procurement of goods and services within a social investment program should follow the procurement policies, procedures and delegations of Council.

3.7 The results of social investment programs are to be reported to Council in a timely fashion and communicated to the community.

4. DEFINITIONS

Community foundation: a not-for-profit organisation established to help philanthropic individuals and organisations support grass-root causes and initiatives. It uses charitable giving to meet the current and future needs of local communities.

Social investment: for the purpose of this policy, an investment of funds or utilisation of assets where the investor (Council) seeks a social return in addition to, or in subsidy of, a financial return.

Not-for-profit organisation: an organisation which is not operating for the profit or gain of its individual members whether these gains would have been direct or indirect. A not-for-profit organisation can still make a profit, but this profit must be used to carry out the purposes of the organisation and must not be distributed to owners, members or other private individuals.

Social enterprise: a 'social business' that has the following characteristics:

- a. Social, environmental or cultural mission/objectives core to its purpose and focus.
- b. Limited distribution of profits –profits are reinvested in the enterprise and/or an associated social entity and not disbursed to individual shareholders.
- c. Mixture of capital inputs – the enterprise is supported through a mixture of grant income/subsidised income and trading income, but must trade.
- d. Generation of social return in addition to a financial return, and a commitment to demonstrating this.
- e. Favours democratic decision-making structures and seeks high levels of accountability to their stakeholders, rather than just to shareholders.

Relationship to legislation and associated documents

The NSW Local Government Act 1993 (§356) makes provision for councils to financially assist others by contributing money or otherwise granting financial assistance to persons for the purpose of exercising the council's functions.

Further legislative requirements that govern councils in providing services in an accessible and equitable manner include:

Commonwealth of Australia

- Disability Discrimination Act 1992
- Human Rights and Equal Opportunity Commission Act 1986
- Privacy Act 1988
- Privacy and Personal Information Act 1998 Commonwealth of Australia
- Racial Discrimination Act 1975
- Sex Discrimination Act 1984

New South Wales

- Anti Discrimination Act 1977 and Amendments
- Disability Services Act 1993
- Independent Commission Against Corruption Act 1988
- Government Information (Public Access) Act (GIPA) 2009.

This policy follows from the broader framework contained within the City of Parramatta Community Funding Framework.

This Policy also has direct relationship to the following Council policies and must be read in conjunction with these, where applicable:

- Community Strategic Plan and Operational Plan
- City of Parramatta Corporate Values
- Statement of Business Ethics
- Code of Conduct
- Sponsorship Policy
- Social Investment Policy
- Customer Service Charter
- Customers Compliments and Complaints Policy
- Procurement Policy
- Workplace Health and Safety Policy

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