

Local Authorities Project and Discretionary Funds

Council Policy 112



Policy Number	CP112
Area Responsible	Governance and Planning
Strategic Plan Reference	4 A Supportive Organisation
Approval date	13/04/17
Minutes Reference	Item 13.2 Ordinary Council Meeting 13/04/17
Last Reviewed	New policy
Next Review Date	30 June 2020

1. Purpose

The policy provides guidance on how Local Authority Project funds granted by the NT Government and Discretionary funds provided by MacDonnell Regional Council (MRC) to Local Authorities can be spent.

2. Scope

This policy applies to the elected members of Council and Local Authorities.

3. Policy Objectives

This policy ensures that:

- MRC funds are spent appropriately
- Projects meet the interests of the MRC and the community
- Funding is not spent in a way that risks the financial, environmental or social sustainability of MRC
- Expenditure complies with legislation and funding requirements

4. Policy Statement

4.1 Discretionary Funds

Each year, MRC allocates a certain amount to Local Authorities to spend as they see fit. The amount is recorded in the MRC's delegation manual. This funding can be spent as the community sees fit.

The following rules apply to the use of discretionary funding:

1. The funding must be used in a fair and equitable way, and should benefit the whole or most of the community.
2. The purchase of any product or service must comply with the MRC's Procurement Policy.
3. Cash will not be given out under any circumstances.
4. The use of discretionary funds must be approved at a Local Authority meeting with a full quorum or be signed off by the majority of Local Authority members. This means more than half of the Local Authority members need to sign the relevant forms.
5. Any real or perceived conflicts of interest must be declared when making decisions on discretionary funding.
6. The use of discretionary funds must comply with all relevant legislation and MRC policies and procedures.

4.2 Local Authority Project Funding

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Local Authorities may also receive funding from the Department with responsibility for Local Government. MRC has delegated decision-making for use of the budgeted amount of this funding to the Local Authority. Compliance needs to be maintained with MRC policy, the relevant funding guidelines and legislation. The following principles will ensure these requirements are met:

1. Projects chosen must not jeopardise the financial, social or environmental sustainability of MRC.
2. Projects that rely on in-kind support from MRC must be related to MRC's core local government services and must get prior approval from the Council, CEO or the relevant Director.
3. The purchase of any product or service must comply with the MRC's Procurement Policy.
4. Cash will not be given out under any circumstances.
5. Funding should not go to projects that are ordinarily the responsibility of another level of government.
6. Salaries cannot be paid for with this funding.
7. Vehicles cannot be procured.
8. The use of project funds must be approved at a Local Authority meeting with a full quorum.
9. Any real or perceived conflicts of interest must be declared when making decisions on Local Authority project funding.
10. Funding should support the relevant community's priority projects as expressed through the Local Authority plan.

5. Legislation and References

Related Legislation	Local Government Act Local Government (Accounting) Regulations Local Government Guideline 8
Related Policies	CP125 Procurement Policy
Related Procedures	Purchase Requisition Procedures
Associated Documents	Dept of Housing and Community Development Local Authority Project Funding Guidelines

6. Delegation and Implementation

Delegate	Director Corporate Services
Implementation Officer	Manager Governance and Planning

7. Administration

InfoXpert file number	
On Internet (Council Policy)	28/04/17
On Intranet (Operational Policy)	