

# Community Affairs Resourcing and Management Agreements

(Subject to the provisions of the OCA's Community Funding Policy)

## DOCUMENT CONTROL

Policy No: CSD-02	Approved by: OCA	Version: 1
Contact person: B. Honan	Date Approved: 17 May 2012	Status: Current
Contact number: 8648 5972	Next review date: April 2013	Objective ID: A1396325

## REVISION RECORD

<b>Date</b>	<b>Version</b>	<b>Revision description</b>
17 May 2012	1	Approved for implementation from 1 July 2012.
10 May 2012	1	Review of consultation comments.
8 September 2011	1	Community Affairs Resourcing and Management policy reviewed by OCA Board – approved as working draft.
February 2012	1	Policy consulted on.

Community Affairs Resourcing and Management Agreements  
Approved: 17 May 2012

## 1. ADOPTION

This policy was adopted by the Outback Communities Authority (“the OCA”) on 17 May 2012.

## 2. TITLE

Community Affairs Resourcing and Management Agreements.

## 3. POLICY STATEMENT

The OCA will support the orderly operations of outback community based associations through an annual Community Affairs Resourcing and Management Agreement (CARM) negotiated with a community based association responsible for coordinating local services. The CARM Agreement will clarify the OCA’s investment and community contribution for specific community services.

## 4. PURPOSE

The purpose of this policy is to outline the principles and requirements of a Community Affairs Resourcing and Management (CARM) Agreement.

## 5. SCOPE

This policy applies to community based associations within the OCA’s jurisdiction, as defined in the *Outback Communities (Administration and Management) Regulations, 2010*.

## 6. POLICY DETAILS

The core elements of this policy are as follows.

Unless specified in this policy:

- the OCA will invest in the development of community service infrastructure, but not in the life-cycle costs associated with the operation and use of that infrastructure; and
- the OCA will not invest through CARM Agreements in community owned business operations that generate a profit. Community owned business operations that operate at a loss will be considered for investment on a case-by-case basis.

The OCA will negotiate annually with community based associations responsible for the management of a specific community service an agreement for the cost sharing arrangements for the annual management of that specific community service.

*The definition of ‘community service’ for inclusion into a CARM Agreement is that specific community service has ‘ongoing’ costs, i.e. similar costs each year, not once off costs. For example, parks and gardens maintenance is an annual ongoing expense; the OCA will support that through a CARM Agreement, whereas a major hall renovation, a once off project, would not be supported through a CARM Agreement; however the association would be encouraged to submit an application for funds through the **Project Grants Program**, currently called twice per year.*

The OCA is required to efficiently and effectively utilise available resources for the public benefit. The CARM Agreement will clarify the OCA's financial commitment to a specific community service and ensure that there are accountable and transparent processes for the disbursement of resources and funding arrangements.

To be eligible to enter into a CARM Agreement a community based association is required to prepare and submit to the OCA a community plan, a financial plan and a budget.

The community plan, financial plan and budget are to be prepared in consultation with the whole community to which it relates and in accordance with the OCA's 'Community Engagement – Our Commitment' policy.

The OCA will provide support and assistance as required to assist in the preparation of a community plan, financial plan and budget, and to ensure they meet the legislative requirements, as follows.<sup>1</sup>

- Prepare and submit to the OCA a community plan for the period of 3 financial years and thereafter review and submit to the OCA annually by 31 March. The first community plan is to be submitted by 31 March 2012.
- Prepare and submit to the OCA a financial plan and budget for the next financial year by 30 April each year.
- Provide an independently-examined financial statement for the association for the preceding financial year by 31 December each year. This statement is to be accompanied by details of the association's office-bearers for the ensuing year.<sup>2</sup>

Upon receipt of a community based association's community plan, financial plan, budget and independently-examined financial statement, the OCA will prepare a draft CARM Agreement that clearly outlines the level of the OCA's financial commitment to that specified community.

A CARM Agreement may include some or all of the following grants from the OCA:

- Community Support Package
  - Administrative Grant
  - Executive Support Grant;
- Community Insurance;
- Community Newsletter Grant; and
- Services Grants.

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<sup>1</sup> Division 3 – Management Practices, Sections 14, 15, 16 and 17 of the *Outback Communities (Administration and Management) Act 2009*.

<sup>2</sup> **PLEASE NOTE** - Financial statements from prescribed associations with gross annual receipts in excess of \$500,000 are required to be formally audited by a qualified person as described in Section 35(b) of the *Associations Incorporation Act, 1985*. Community based associations that are not prescribed associations, may have their financial statements examined by an independent person who is not a member of the association or in any way related to, or employed by, any member of the association executive.

Upon receipt of a draft CARM Agreement the community based association should review the document and agree to the following conditions (if applicable):

- contribute to the cost share amounts indicated;
- undertake to be part of the OCA's community insurance scheme and pay the indicated premium contribution;
- agree to review community insurance arrangements on an annual basis and advise the insurance provider of any changes; and
- discuss any issues or disputes with the OCA and not engage in any third party discussions regarding those issues or disputes with the OCA without first discussing the issue or dispute with the OCA.

Once agreed, the CARM Agreement will be executed and form a contract for a financial year between the OCA and the specified community based association.

**Note: The existing responsibility for proportionate contributions by community members will not be diminished under a CARM Agreement.**

The various grant schemes are clarified below.

## **6.1 Community Support Package**

By entering into a Community Affairs Resourcing and Management (CARM) Agreement a community based association will be eligible to receive the following Community Support Package payments that support volunteer efforts.

### **6.1.1 Administrative Grant**

The Administrative Grant is an untied grant provided by the OCA for assistance in conducting the business of the community based association, for example photocopying, printing and stationery.

### **6.1.2 Executive Support Grant**

The Executive Support Grant is a tied grant provided by the OCA for assistance in conducting the business of the community based association. For example professional accounting support, minute and correspondence preparation and external consultancies for community planning. As this is a tied grant payment, OCA approval is required of an Executive Officer Grant application and assessment process that will be called prior to the commencement of the financial year for which the CARM agreement applies. Once approved the community based association will be required to provide a six monthly report (31 December and 30 June of the funded period) on community activity and expenditure against the budget. That is, what has been achieved with the funding? Training programs and community planning are two examples.

Both the Administrative Grant and Executive Support Grant amounts will be reviewed on an annual basis and a formula applied taking into consideration business activity within a community and the capacity to provide administrative support to the recognised community based association.

The Administrative Grant and the Executive Support Grant will be paid in one installment to the community based association at the commencement of the CARM Agreement financial year period.

## **6.2 Community Insurance**

On an annual basis, and on behalf of community based associations, the OCA will negotiate with the OCA's insurance provider to offer the opportunity to participate in a community insurance scheme.

The OCA can require that any community based association that participates in the insurance scheme enter into a management plan agreement for any or all aspects of the items identified on the insurance schedule pertaining to that community based association. This management plan agreement must be executed before the OCA invests in the asset or service identified in the management plan agreement. The management plan agreement clearly defines both the OCA's and the community based association's responsibility with regard to:

- asset management (life-cycle costs);
- safety;
- accountability; and
- maintenance.

The OCA, may provide assistance funding to community based associations at a rate to be determined prior to each financial year and in line with budget allocations and management plans being agreed upon.

Community based associations participating in the insurance scheme are required to review their specific insurance requirements prior to each calendar year and provide updates to the insurance provider whenever circumstances change or are requested.

Participation in the wider outback community insurance scheme is included in each community based association's CARM agreement with acknowledgement that costs associated will be reimbursed to the OCA in a timely manner.

A community based association may seek individual insurance requirements with a reputable provider and request the OCA to consider providing financial support. The OCA will not provide funding support for the difference between an under-insured claim reimbursement and the market replacement cost of an asset, if a community based association knowingly under-insures a community asset.

### **Airport Hangers Liability**

The OCA will not provide financial support for insurance costs where an outback airstrip is privately owned and operated, or owned and operated by a community based association and where landing fees are collected by the owner or association from usage other than for emergency evacuation incidents.

If an airstrip is owned and operated by a community based association for predominantly emergency incidents or community service access, i.e. RFDS clinic visits, the OCA may consider investment on a case-by-case basis on the proviso that the airstrip is managed in accordance with the recommendations contained within the annual aerodrome safety inspections and an asset management plan.

### 6.3 Community Newsletter Grant

The OCA is committed to the sustainability of vibrant outback communities. To this end the OCA strongly supports and encourages community based associations to produce a regular newsletter to communicate the issues important to their community. The OCA will commit up to \$2,500 per annum towards the cost of producing and distributing a community newsletter. This tied grant is provided under the following conditions:

- Ten (10) copies of each newsletter are provided to the OCA for reference, Board Member distribution and public display (may be electronic PDF copies);
- The newsletter is developed in accordance with the OCA's *Community Engagement – Our Commitment* policy; and
- Editor's contact details are supplied to OCA and clearly visible in the publication.

### 6.4 Services Grants

The OCA respects the autonomy of community based associations and values their commitment to providing services to their community. The services grant seeks to support community based associations by reducing the burden of securing all of the annual and recurrent funding required to provide a particular service.

The services grants will not provide funding for 'once-off' capital development project costs – please refer the **Outback Grants Program** for 'once-off' project funding opportunities.

The services grants are tied grants that provide a proportional investment on actual costs associated with providing a community based service. The level of OCA contribution will be determined annually prior to the commencement of the community business planning process.

2012/13 services grants apply to the following services.

- Public Conveniences - (100% investment by the OCA for OCA owned facilities).
- Waste Management (hard waste facility management) - (50% investment by the OCA on actual cost of service).
- Town Maintenance (parks and gardens management) - (50% investment by the OCA on actual cost of service).
- Air-strip Management (maintenance) – not operated as a commercial for profit air-strip (50% investment by the OCA on actual cost of service).
- Street lighting - (50% investment by the OCA on actual cost of service).

Services that are ineligible for 2012/13 services grants are:

- Water supplies (consumption) – all life-cycle costs will be the responsibility of the community based association providing that supply.
- Electricity generation (consumption) – all life-cycle costs will be the responsibility of the community based association providing that supply.
- Waste Management (collection) – all life-cycle costs will be the responsibility of the community based association providing that service.
- TV and Radio rebroadcasting – all life-cycle costs will be the responsibility of the community based association providing that service. *However this*

*will only apply after the 'Commonwealth Government Digital Television Switchover' (Viewer Access Satellite Television or VAST system) has been completed and community associations wish to retain their existing TV and Radio rebroadcast equipment.*

- UHF Repeaters (community owned) – all life-cycle costs will be the responsibility of the community based association providing that service.

## **7. OTHER RELEVANT DOCUMENTS**

The following documents are to be read in conjunction with this policy:

- Outback Grants Program.
- Outback Infrastructure Policy and Procedures.
- Community Contribution Scheme (Andamooka and Iron Knob)<sup>3</sup>.

## **8. AVAILABILITY OF THE POLICY**

Members of the public may inspect a copy of the policy, without charge, at the offices of the OCA during office hours, and may obtain a copy for a fee fixed by the OCA. The policy is also available from the OCA's website: [www.oca.sa.gov.au](http://www.oca.sa.gov.au).

## **9. REVIEW OF THE POLICY**

This policy will be reviewed on an annual basis.

The next scheduled review is due to occur in April 2013.

## **10. OCA CONTACT PERSON**

Mrs B Honan, Business Services Manager. Telephone: (08) 8648 5972.

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<sup>3</sup> **PLEASE NOTE - only applicable to the Andamooka and Iron Knob Communities**