KIAMA MUNICIPAL COUNCIL
your council, your community

External Grant Management Policy

Policy owner	Manager Property and Commercial
Department	Corporate and Commercial
Date endorsed	D Month 2026
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Policy statement / objectives

Kiama Municipal Council is committed to actively identifying and applying for external grant opportunities to support projects that enhance community wellbeing, infrastructure, sustainability and innovation.

The objectives of this Policy are to:

- Provide a strategic, transparent and coordinated framework for pursuing external funding.

- Define roles and responsibilities for managing grant applications, approvals and reporting.
- Ensure alignment with Council's strategic objectives and long-term financial planning.
- Maximise the efficient use of internal resources in pursuing and managing external grants.
- Promote accountability and compliance with grant funding requirements.

Scope

This policy applies to all external grants that Council may seek or receive for its projects and operations. It covers grants from Federal and State Governments, and other external sources, including cash or in-kind support, whether Council is the sole applicant or a partner in a joint application. It excludes programs where Council distributes grants to external parties (such as community grant programs), focusing instead on incoming grants.

All Council employees and officers involved in identifying, applying for or managing external funding must adhere to this policy.

References

- *Local Government Act 1993 (NSW)*
- NSW Government Grants Administration Guide
- Council's Community Strategic Plan and Delivery Program
- Council's Code of Conduct
- Risk Management Framework
- Project Management Framework
- Community Engagement Strategy

Consultations

- Governance
- Executive Leadership Team
- Audit, Risk and Improvement Committee
- Communications and Engagement Team

Definitions

Term	Definition
Grant	A financial contribution provided by an external organisation to fund specific Council activities, projects, or programs.
Funding Body	An external entity such as a government agency or philanthropic organisation that offers grants.
Acquittal	The process of reporting to a funding body on how grant funds were used, including outcomes and financial expenditure.

Variation and review

Council reserves the right to review, vary or revoke this Policy.

Review history

Date reviewed	Date adopted / endorsed	Brief detail of amendments
N/A	XXXX	New policy.

POLICY

1. Roles and responsibilities

1.1 Council (elected members)

- The elected Council has oversight and decision making.
- Council is responsible for adopting this grant policy and any future amendments.
- Councillors provide strategic direction on funding priorities and approve grant applications or commitments that fall outside delegated authority such as grants above $1M, applications requiring unbudgeted co-funding or carrying high risk.
- Council also reviews regular grant status reports and receives information on outcomes, ensuring transparency and alignment with community expectations.
- Short lead time – it is recognised that at times there is a short lead time for external grant applications that does not allow sufficient time for Council authorisation. Should this occur, the Chief Executive Officer will authorise the application, if the funding application is successful, a report must be provided to Council before the funding agreement is signed.
- For the avoidance of doubt, Council approval will not be sought for an application that is included in Council's current Delivery Program and Operational Plan and Long-Term Financial Plan and as such, is in line with Council's strategic priorities and does not impact Council's budget.

1.2 Chief Executive Officer (CEO)

- Oversees Council's overall strategic direction and authorises high-value or high-risk grant submissions.
- Exercises authority to approve and execute grants up to $1M where funding supports existing Council programs and proposed funding agreements do not require amendment to internally sourced funding. Any grant accepted under this delegation must be reported to Council for information.
- Where funding offered supports new programs that have not been identified in Council's Delivery Program and Operational Plan, or where the proposed funding agreement would require financial contribution from Council that is not already budgeted, Council approval is required.
- Ensures adequate resources are allocated to support grant-seeking and project delivery.
- Reports to Council on strategic grant outcomes and significant opportunities or risks.

1.3 Directors and Managers

- Approve grant proposals developed within their departments within their delegation.
- Ensure alignment of proposed grant projects with strategic objectives and budget commitments.
- Oversee performance and compliance with funding conditions.

1.4 Grants Officer

- Monitor and disseminate information about current and upcoming funding opportunities.
- Provide guidance and support to staff on grant applications and funding body requirements.
- Maintain a central register of all grant applications, outcomes and acquittals.

1.5 Project Managers

- Develop project proposals and lead application writing with input from relevant stakeholders.
- Manage delivery of funded projects, including timelines, budgets and compliance.
- Prepare progress reports and final acquittals in collaboration with the Grants Officer.

2. Funding applications

- All applications for external funding must comply with Council's policies and procedures and follow the relevant guidelines and funding rules of the funding body.
- Proposals for funding in the form of a Project Business Case must be approved by the CEO and where Council is required to provide a co-contribution, the Project Business Case must be approved by Council.
- The relevant Director is responsible for ensuring the project is strategically and financially acceptable to the service budget.
- All applications are required to undergo a full evaluation and budget check coordinated with the Chief Financial Officer prior to approval by the CEO and submission to the funding body.
- The CEO retains the right to defer a submission of any application if it is deemed the application is not up to a competitive standard or is harmful to the Council in any way, including potential damage to the integrity or reputation of Council.
- Once a funding application is submitted, regardless of the outcome, the application must be recorded on Council's Grant Register by the Grants Officer or their delegate.
- The Department Manager/Project Manager will work with the funding body to formally co-ordinate the acceptance of an offer of funding.
- For compliance, audit and legal reasons, all related funding agreements and variation negotiations must be documented in writing, either by a fully executed agreement, or signed correspondence.
- All funding agreements and variations to funding agreements must be reviewed by the relevant Director.
- The establishment and execution of a funding agreement must be signed off by the CEO.
- Council's Grants Register must indicate that the grant is active and who the project manager is.

3. Management of grant projects and grant funds

- The relevant Director will assign a project manager, to deliver the grant funded project in accordance with applicable Council policies and procedures.
- The assigned project manager must ensure that their activities fit within the parameters of the funding agreement; such as how funds are to be spent, including expenditure against approved budget headings.
- The project manager must establish project management documentation using Council's project management framework and templates in compliance with Council's Project Management Framework.
- Any variations to a funding agreement must be documented and in accordance with the funding agreement following a formal request from the project manager or funding body.
- Any variation to scope of the project and initial design must be approved by the relevant Director.
- The Project Manager must notify the Grants Officer where a variation to a Grant has been approved.
- The Grants Register will be monitored, reviewed and maintained by Council's Grants Officer in consultation with Finance.
- Project managers/service managers are responsible for implementing funded projects according to the terms and conditions of funding agreements, including meeting project milestones, outputs and conforming to project budgets.
- It is the responsibility of the project manager to inform the Director and Grants Officer of any changes to the project that deviates from those previously agreed to with the funding body.

4. Completion of grant funded projects (acquittal)

- Project managers are responsible for preparing progress and final project reports.
- All funds must be expended in accordance with the funding agreement conditions.
- Project Managers must notify Accountant – Capital Works and Funding and Grants Officer on the completion of grant funded projects to ensure that requirements for acquittal are complied with and that the Grants Register is up to date.
- In compliance with the funding agreement and/or as specified within the funding agreement, completed projects must go through an acquittal process, and any unspent funds must be distributed as per the contractual specifications.
- If the funding agreement is silent on remaining funds at the completion of the project, the remaining funds may be used at the discretion of the CEO.
- Project managers and the Chief Financial & Technology Officer are responsible for invoicing funding bodies for grant monies and ensuring project accounts are credited accordingly.

Attachments

Nil	

Authorisation

Name: Council resolution No: ****

Date: Date adopted by Council

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Public Exhibition Engagement Report
Draft External Grant Management Policy

Council exhibited the draft External Grant Management Policy to seek community and stakeholder feedback. The policy provides a framework for how Council applies for, manages and reports on external grant funding, ensuring grant funded projects and services are delivered transparently, efficiently and in alignment with Council priorities and strategic plans.



This report summarises the community and stakeholder feedback received during the public exhibition of the draft policy. View the project page here: yoursay.kiama.nsw.gov.au/external-grant-management-policy

Public exhibition period
24 June - 22 July 2026

Promotional activities
Dedicated Your Say Page | Customer Service display screen | Posters

How community got involved

24 website visits	3 submissions received

What we heard
Feedback identified a need to better acknowledge communication and community engagement activities associated with grant-funded projects, including consideration of planning and resource requirements. Submissions also supported a more streamlined approach to approving lower-value grants and greater flexibility in the management and delivery of grant-funded projects. It was suggested that a more collaborative approach to application decisions and the allocation of residual project funds could strengthen team ownership and support effective reinvestment of project savings.

Outcome
The public exhibition of the Draft External Grant Management Policy attracted three submissions from internal and external stakeholders. Feedback generally supported the introduction of a formal governance framework for the management of external grants and highlighted opportunities to strengthen communication and community engagement considerations associated with grant-funded projects. Suggestions were also received regarding approval thresholds for grant applications, flexibility in project delivery, and the allocation of residual grant funding. Following a detailed assessment of all submissions, it was determined that the majority of matters raised related to operational processes and existing delegations, rather than the policy framework itself. Accordingly, no substantive changes to the policy's governance, approval, financial management or accountability provisions were required.

Changes Made

As a result of the feedback received, minor amendments were incorporated into the policy to improve accuracy and completeness. These changes included the addition of Council's Community Engagement Strategy to the references section and the inclusion of the Communications and Engagement Team within the consultation section of the policy. Other matters raised through the exhibition process will be addressed through internal procedures, grant application planning processes and project management practices, rather than through amendments to the policy itself. The final policy therefore remains substantially unchanged and is recommended for adoption by Council

The draft has been updated where applicable. Please refer to the summary table for more details.

What's next

Staff will consider the feedback received when finalising the External Grant Management Policy. The final policy and this engagement report will be presented to Council and everyone who took the time to review the draft policy will be informed of the outcome.

Once adopted, the final policy will be published on Council's website www.kiama.nsw.gov.au.

Summary table of feedback received and staff responses

Feedback Received	Response	Outcome
Requiring the CEO to sign off every grant up to $1 million adds unnecessary red tape. Suggested a lower threshold, such as $100,000, for department head sign-off. Concern about the CEO's personal veto power to block applications and sole decision on how leftover project funds are spent. Asked that teams have a say in reinvesting their own leftover budgets.	The feedback is noted. Approval of grant applications and decisions on the allocation of residual project funds fall within the CEO's existing delegated authority. Also, in accordance with Council's Procurement Policy and the LG Act. These delegations will remain unchanged, and the proposed $100,000 threshold for department head approval will not be adopted	No change to draft policy in response to this comment.
Requiring managers to use Council templates for every project adds unnecessary bureaucracy. Departments need more flexibility.	A consistent process and governance framework must be followed to ensure accountability and maintain a clear audit trail for grant-funded projects. Council templates support this by ensuring key decisions, approvals and expenditure are documented consistently. The requirement to use Council templates will therefore remain.	No change to draft policy in response to this comment.
Drafting grant applications is time consuming and requires specialist expertise. Residents have the required skills and expertise but there is no one to rally them.	Council recognises that preparing grant applications can be time-consuming and require specialist expertise. Council has a qualified Grants Officer available to assist any community group with the grant application process. Community groups are encouraged to contact Council to access this support.	No change to draft policy in response to this comment.

The draft policy establishes a strong governance and financial management framework for external grant management.	Feedback noted.	No change to draft policy in response to this comment.
The draft policy does not adequately recognise the role of Communications and Community Engagement in grant-funded projects. Resourcing and responsibilities are not clearly addressed. Examples: Hindmarsh Park upgrade and Jamberoo Dog Park projects.	The feedback is noted. Council recognises the role of Communications and Community Engagement in grant-funded projects. An internal process will be implemented to address coordination, responsibilities and resourcing for these activities. These operational requirements are more appropriately addressed through internal procedures and project planning and do not need to be detailed in the External Grant Management Policy.	No change to draft policy in response to this comment.
Section 2 – Funding applications: all applications should identify communication, stakeholder and community engagement requirements, including resource and budget implications. An internal process will be implemented to ensure communication, stakeholder and community engagement requirements, including resource and budget implications, are considered when preparing grant applications.	These operational requirements are more appropriately addressed through internal procedures and application planning and do not need to be detailed in the External Grant Management Policy.	No change to draft policy in response to this comment.
Section 3 – Management of Grant Projects and Grant Funds: Project Managers to work with Communications staff and Community Engagement staff, and to comply with funding body acknowledgement requirements.	An internal process will be implemented to ensure Project Managers coordinate with Communications and Community Engagement staff and comply with funding body acknowledgement requirements. These operational responsibilities are more appropriately addressed through internal procedures and project delivery arrangements and do not need to be detailed in the External Grant Management Policy.	No change to draft policy in response to this comment.
References and Consultations: add the Community Engagement Strategy to References, and the Communications and Engagement Team to Consultations.	Noted – this has been added to the References and Consultations section of the Policy.	The Policy has been updated in the Reference and consultations sections to reflect this addition.