



APPENDIX C STAKEHOLDER ENGAGEMENT



C.4 COMMUNITY ENHANCEMENT FUND CHARTER

Hills of Gold Wind Farm
Community Enhancement Fund Charter



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Overview

The Community Enhancement fund workshop was a chance for the community to provide valuable feedback to the design of the fund. The community significantly valued characteristics such as broad representation across geographic areas close to the project, democratic systems to elect representatives for the committee and transparency in selection process uses of funds. This document summarises feedback to create a recommendation to proceed to finalising the Community Enhancement Fund Design. Councils have sought that administration of the CEF should not place a burden on members and reduce the effectiveness or attractiveness of the fund. It was also a key objective of the community and accepted by Councils that projects should pass an “additionality” criteria, in that they should not fund either existing council commitments or those that are considered in the scope of councils operational obligations.

Feedback is welcome from community members and councils prior to finalising. The Community Enhancement Fund is being sought to be accepted in lieu of voluntary planning agreements with Tamworth Council, Liverpool Ranges Shire Council and Upper Hunter Shire Council with the

exception of any public road works which are committed directly from the project and are outside of any funding from this fund.

The Community Enhancement Fund will be funded by Wind Energy Partners at \$2,500 per turbine per year and commencing from the start of generation of the first wind turbine sending electricity to the National Electricity Market. The commitment will increase by the Consumer Price Index annually from the date of first electrical generation.

Roles, Member Eligibility and Election Process

Roles

The committee roles and maximum tenure were generated based on community feedback documented in annex (b).

Area Representing	Role	Maximum Tenure
Community member 1	Chairperson	2 years
Community member 2	Deputy Chair	2 years
Community member 3	Secretary	2 years
Community member 4	Communication / Marketing	2 years
Community member 5	Resolutions Officer	2 years
Community member 6	Project Liaison	2 years
Indigenous Member	Indigenous affairs	2 years
Council Member 1	Administration	2 years
Council Member 2	Treasurer	2 years
Council Member 3	Strategic planning and advice	2 years

Role Descriptions

The role descriptions were created from a series of feedback points as annexed.

Role	Description
Chairperson	This will involve leading discussions at committee meetings and ensuring the successful facilitation of the group. This will be agreed upon within the committee.
Deputy Chair	The role will require direct contact with the chair to help with their tasks and to act on their behalf when necessary
Treasurer	The role will include management of the fund budget and specific allocation of funds to each project based on application
Communication / Marketing	It requires networking and outreach within all the communities to advertise the fund and critical times such as application openings.
Project Liaison	This is a role, that requires direct contact with the successful applicants to ensure that they are meeting guidelines around receiving funding and transparency is achieved.
Resolutions Officer Secretary	Resolving disputes between applicants and the committee, committee and council or between community members to ensure the most appropriate and fair solution for all stakeholders.
Administration	This role requires logistical skills such as website administration, setting up contact services etc.

Strategic Planning	This is a way to establish a vision between council and the community to how the fund can work in combination with council to achieve the best long-term outcomes
Secretary	The secretary acts to record meetings and decisions agreed by the members.
Indigenous Representative	Act in representing indigenous interests from those with historic interest in the project site area and surrounds.

The recommendation for membership eligibility and elections are below in accordance with community feedback in annex (b).

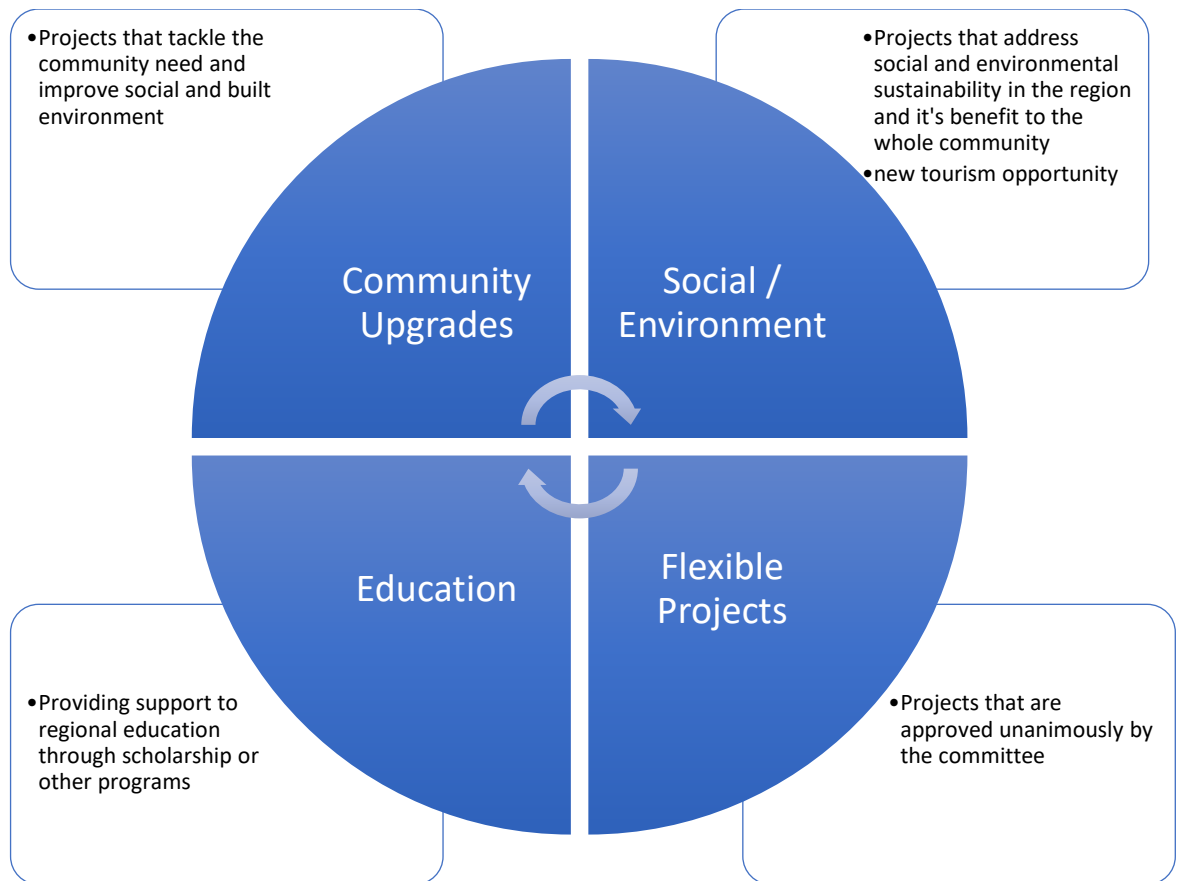
Member Eligibility and Election Process

- Members may apply from communities located within 20km of the project (the Project being described as any turbine, transmission line or electrical installation that is physical built), including, Nundle, Hanging Rock, Crawney, Timor, Wallabadah.
- Members maximum tenure may be 2 years unless agreed by the majority of the members to extend.
- Members will apply to the 3 council members who will make member selection
- Members must be selected based on the following community representation:
 - 2x Community members from Nundle
 - 2x Community members from Hanging Rock
 - 1x Community member from Timor / Crawney (Upper Hunter Shire Council LGA)
 - 1x Community member from Wallabadah (Liverpool Plains Council LGA)
 - 3x LGA members (one from the 3 respective councils, Tamworth, Liverpool Plains and Upper Hunter Shire Council)
 - 1 x member from Wind Energy Partners (non-voting)
- Indigenous Representation will be made up from one of the Community Member roles
- Re-election will occur prior to the 3rd anniversary of the inaugural CEF meeting.

Funding Eligibility Requirements & Applications Process

Eligibility Criteria

The eligibility criteria are based from the feedback from community to questions of what projects and organisations should receive funding and conversely, which should not. The responses in feedback highlighted four main areas, which the community put emphasis on as being a benefit area that applications should target.



To keep in line with the community feedback all applications must apply with a main theme of either Community upgrades, education, social or environmental benefits. To provide the opportunity to emergency projects such as flood, fire or other nature disasters, a flexible category has been established but requires unanimous approval of committee members. Each proposal must demonstrate:

Addressing key community needs:

- Directly benefits the community within 20km of the project
- Incorporates a social or environmental improvement which could include new tourism opportunities that bring benefits to the region enhancing existing tourism opportunities around existing heritage such as the agricultural, gold mining, local history such as in Hanging Rock and Nundle and wool spinning and new opportunities around renewable energy and environmental opportunities
- Improves welfare and lifestyle of the community

Project feasibility:

- Applicant background and their prior involvement in the community and with other organisations
- Does the project tackle a new issue or is it duplicating an existing project?

Demonstration of needing funds:

- Project received prior funding/current budget
- Demonstrating need for financial help

Community upgrades

- Project indicating methods in which, it will improve the community and accountability structures to ensure follow through.

Note: Funding will not be provided for projects which fall under the category of existing local council responsibilities such as community held events, road upgrades and waste management. Any funding from the Community Enhancement Fund must meet an “additionality” criteria which ensures the any existing services are “enhanced” and outside of councils normal operating responsibility.

Application Process

There should be a written application process where applicant project proves its eligibility against the set framework. There can be an optional presentation for projects of significant funding where community members are invited to hear project pitches to improve transparency and understanding of key factors required for application success. There will be feedback provided to projects who weren’t successful. An explanation on how the project will provide benefits to the community and the direct stakeholders will be critical. If funding isn’t completely allocated at the end of each funding round then additional funding will be saved for subsequent funding rounds.

There is to be two funding rounds per year, with a 4 -step process over a period of 3 and a half months, which involves Council to ensure safe keeping and governance during the final stages of the application process before funding is released:

Funding Round	Applications Open	Assessment of applications	Committee Meeting	Projects Approved
1	February	March and April	End of April	Mid May
2	July	August and September	End of September	Mid November

Decision Making Process and Compliance

The Final decision on applications are made by the committee. A majority of 2/3rds is required to pass successful applications and with reasoning and minutes provided online for the community. The community feedback on decision making has been used to generate a process for decisions and ensuring integrity of the fund during its operation.

Committee communication with successful projects

- Committee to inform all applicants of the result of their application
- Rejected applications are to be provided feedback as to why they didn’t receive funding
- The committee minutes are to be published via the Councils and project website to constantly provide transparency

Changing project scope or funding requirements

- Any changes to the scope of the project or funding requirements will require a written request of change to the committee
- This written request will then be pending approval from the committee before proceeding with the project.

Ongoing project reporting

- Successful projects are to update the committee through an online form, which will update the committee and community on financing, current project timeline and any progress made.

Feedback was received that due to the small community size conflicts of interest may arise whereby members of the committee sit on other community interest groups. Committee members will be responsible for notifying the committee of their conflicts and must not vote on any application they have stated a conflict of interest on.

Governance, Admin & Finance

The design considerations for governance, administration and finance were discussed at length in the community enhancement fund workshop and the final inclusions are a direct response to community feedback in the annexure.

Accountability for Finance

- Feedback was received that councils are robust and long term institutions who have improved efficiency with managing the finance function of a CEF.
- A member Council recommended to be responsible for managing the funds held on behalf of the Community Enhancement Fund.

Reporting Frameworks on decision making

- Annual reports, which include operational costs, summary of meetings to be made available to the whole community.
- Independent audit of the Community Enhancement Fund finances should be managed by a council representative and be paid by the Community Enhancement Fund.
- Further an audit of the project approval process and committee operations to uphold code of principles expected by the members of committee and recipients of grants.

Costs

The designated Council with responsibility for maintaining the finances, administration and funding will be entitled to an administration fee of \$5,000 per annum.

Majority Rules

If the majority of the community have a consensus the fund is not operating for their benefit or there are flaws beyond repair, then there is the option to instigate a vote that would restart the fund for it to be designed in a way the community agrees would better for them.

Marketing and Advertising

The need for transparency and communication between the community was identified to be valuable from the feedback received. Hence ensuring the fund is well marketed and advertised is a key design factor of the fund and has a designated role within the committee.

Purpose

The purpose of the CEF is to enhance community benefits to improve the livelihood of all community members. To be able to achieve this there needs to be effective and widespread communication of the fund to all in the community so they are aware of their ability to apply for funding

Methods

- Council websites
- Community Noticeboards
- Community newsletters
- Social media groups
- Engaging through local schools
- Community sports days, which can be used as information days
- The project website

Involvement

There is a designated role for preparing and sharing information about the community enhancement fund. However, all community members will be encouraged to promote the fund to community within the eligibility area.

Annexure - Feedback from Community Enhancement Fund Workshop

Exercise 1 – CEF Purpose and Objectives

1. **What do we want the key funding priorities of the community enhancement fund to be?**
 - A Charter that enhances wellbeing and lifestyle for members of community
 - A Merit based system for applications
 - Project programs or facilities that are located within or provide a service to the local community
 - Justification of community benefit/need
 - Scholarships

2. **What community projects should the community enhancement fund benefit?**

Events that the community outlined were of importance in a community survey conducted:

- Nundle Go for Gold
- Great Nundle Dog race
- Country Picnic
- Art Exhibition
- Australia day
- Xmas in July
- Nundle Pony Club
- Camp draft

Buildings and facilities that were identified in the survey that could be eligible:

- Nundle sports and rec club
- Nundle swimming club/pool
- Community hydrotherapy pool
- Nundle memorial hall
- Old Church Boutique
- Nundle preschool and primary school
- Nundle Bowling Club
- Hanging Rock Hall
- Skate park
- Medical centre
- Aged care facilities
- Golf Course
- Hanging Rock and Nundle Cemetery

3. **Conversely, what should the CEF not be used for?**
 - No individuals should benefit directly from the CEF
 - Not maintain functions ordinarily performed by council, as well as state and federal government organisations
 - Should not benefit individual business interests
 - Exclusion of wind farm landowners hosting turbines /
 - Exclusion of voting from members who have a conflict of interest

Exercise 2: CEF establishment, Governance and Administration

1. How do we want the community enhancement fund to be Governed and Administered?

- Includes a model constitution with strong financial and administrative guidelines
- Support with appropriate involvement of council
- Must stand test of time and council acknowledged as long term and stable institution
- Provision of funding out of overall 'pot' to ensure good governance e.g. Audited statements potentially done by the council
- If funding is comparatively minimal council would be the preferred 'lead' on the fund
- If sufficient pool of money 2 rounds per year but this structure needs to be flexible to allow for change
- Available skillsets + volunteer burn out need to be considered
- Process of decision making for trust representation – CCC to choose?
- Application process needs to be accessible and simple
- Once set up establish running costs
- Accounts to be audited by an independent body and transparent around every motion
- The structure and guidelines should be able to be changed should there be a majority of the committee who agree

2. What will be the roles and responsibilities of the committee?

- Robust governance impeccable financials
- Need for transparency + integrity of members
- Responsibility of trust members must be clearly understood e.g. Public liability, professional indemnity insurances
- Responsibility for administration costs
- Communication costs (Advertising, newsletters)
- Indigenous representation from either local land council or native title group (can be rotating every election term)
- Trends of declining volunteering
- Structure of committee is important (skills)
- Marketing
- Chair
- Company secretary
- Secretariat

3. What role will the council play in the functioning of the fund?

- Resolution of disputes
- Non-voting or voting powers were both suggested for council
- Council advice on strategic planning
- Potential rotation of council staff over different LGA's
- Distribute minutes online

- Council to remain involved for safe keeping and governance
- What happens if trust or volunteers fails?
- Key to addressing failing concern is council agreeing with condition that it must fund if the committee requires it.
- Conflicts of interest in voting
- Council representation with authority to liaise
- Administration could be a council function with agreed annual cost from the CEF
- GST, quarterly financial reports, payments, acquittal processes
- Assessment + recommend
- Sitting fees + admin costs

4. Is there a preference for council administration via a S355 or independent trust or charity with a specific charter?

- Trust model has worked well historically
- Nundle has approx. 26 committees
- Trust facilitates better equity across impacted communities
- Greater transparency
- Representative of broader community need through trust
- Ability to bring specific skillsets 'to the table'
- Trust is able to be more flexible and agile
- No active S355 committee currently exists
- S355 limits to council assets or existing council owned facilities
- Independent trust preferred
- S355 delegating to a group activity
- Broad representation, across the Hanging rock, Nundle and Crawney region
- Code of conduct to guide behaviour and principles
- Strong group as community
- Hanging rock + Nundle as one

5. How many committee members should there be and how do they get nominated?

- 9 committee members
 - 1x Near Garoo
 - 2x Nundle
 - 2x Hanging Rock
 - 2x Timor / Crawney
 - 3x LGA members
 - 1x landowner could potentially be on the committee but non-voting
- 3-year term for each committee
- If more than 5 community members nominate, a vote takes place
- Should be a requirement to live within 20-30km of project
- Ballot to community to decide committee if more applicates than positions
- Committee to receive review and deeds
- There should be diverse representation across the community
- 3 council members for representation with either voting or non-voting powers
- Representation from near Garoo on committee
- Founding members of the committee and then rotation of members

6. How will monetary contributions be managed and by whom?

- Example given of three coal mines providing \$100,000 each over the lifetime of the whole project to the communities compares to much larger contribution by the project
- Biannual funding rounds
- Council to provide administration assistance but paid for by the fund
- Flexibility within the fund's structure is important if the majority of members believe change is required
- Having the right structure is critical
- Council to provide certainty that rates won't be affected by host landowner
- Should not adjust existing council funding commitments
- Community would like some ownership as part of the community enhancement fund

(c) Exercise 4 – Fund Eligibility Criteria

7. Summary question for the three questions below: What should be the funding criteria for applications received by the committee?

- **Recipients, decisions and frameworks?**
- **How do the priorities get decided?**
- **How do we set parameters for where funds are spent i.e. geographic, municipalities, LGA's?**

- Priority to those most impacted, who will experience a larger footprint of project, e.g. noise, traffic and environmental
- Not for profit groups to be the priority
- Application process subject to meeting eligibility criteria
- Budgets ensuring capability for project delivery by community organisations
- Inflation increases accommodated
- Consensus / voting
- Strong funding guidelines that incorporates flexibility
- Councils provided with a designated seat at the table
- Social environment improvement
- Whole of community benefit
- 30km radius from project
- Upgrades to the community
- Education aspect
- Natural environment
- Charity groups
- Landowners should benefit, councils have strong admin processes
- CWA, P & C, NTDE, lions group

2. How are decisions made and how can a framework be set up to ensure the fund operates as per its mandate?

- 6/9 to secure certainty
- Absentee votes allowed
- This will be agreed with council
- Independent audit whether council or independent body
- Those responsible of funds should have a set of skills, this lends itself to council with its governance structures.