



KEMPSEY
Shire Council

DIRECTOR CORPORATE AND COMMUNITY SERVICES REPORT

8th May 2007

DCCS8	SWR MARITIME PRECINCT INC. DONATION
	FILE: LA 19251 GB {Folio No. 344246}

SUMMARY:

SWR Maritime Precinct Inc. has requested that Council subsidises their organisation by rebating the rates on Boatman's Cottage No. 2.

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DESCRIPTION:

SWR Maritime Precinct Inc. hold the lease of both Boatmans Cottage No. 1 and Boatmans Cottage No. 2 from the Department of Lands.

In respect of Boatmans Cottage No. 1 Council has recently entered into a sub-licence agreement on a three (3) year term for a part of the premises to be used as a Visitor Information Centre on the basis that Council pays an annual rental of \$5,000 plus 50% of the rates on that Cottage (50% x \$2,685.50 = \$1,342.75).

The remainder of Boatman's Cottage No. 1 is used for museum display purposes.

The SWR Arts and Crafts Association occupy Boatmans Cottage No. 2, presumably under lease from SWR Maritime Precinct Inc. The 2006/07 rates/charges on this property amount to \$3,551.16.

SWR Maritime Precinct Inc. have written to Council seeking a subsidy on Boatman's Cottage No. 2 similar to "other non-profit organisations".

The suggestion put forward by the Precinct committee that the property should be exempt from rates is not concurred with.

Section 555 of the Local Government Act provides that "land owned by the Crown, not being land held under lease for private purposes" is exempt from rates. The Boatmans Cottages are deemed to be held under lease for private purposes.

At Council's Budget meeting of 10th April 2007, Council resolved to:

"conduct a review of its donations to local organisations."

REPORT IMPLICATIONS:

- *Environmental*

No environmental implications

- *Social*

No social implications

- *Economic (Financial)*

There are no financial implications at this stage.

- *Policy or Statutory*

Council's donations policy is to be reviewed.

- *Director's Review*

The recommendation is supported.

RECOMMENDATION:

That the SWR Maritime Precinct Inc. be advised that Council proposes to conduct a review of its Policy on donations to local organisations, and that their request will be considered in conjunction with that review.

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G B Snape
DIRECTOR CORPORATE & COMMUNITY SERVICES