



**DIRECTOR CORPORATE AND COMMUNITY SERVICES
SUPPLEMENTARY REPORT**

11th December 2007

**DCCS21 DONATIONS POLICY AND PROCEDURES
FILE: 126 KEO {Folio No. *}**

SUMMARY:

Reporting on the response from community based organisations that received Council donations 2007/2008 that did not submit a request for donations 2008 / 2009.

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BACKGROUND

At the Council meeting of the 13th November 2007 Council resolved: -

- "1. That this report be deferred to the December 2007 Council meeting.*
- 2. That the previous financial beneficiaries who did not submit an application be sent a further letter asking why they haven't responded."*

Following the resolution of Council, additional letters including a donation application form were issued to the 15 organisations that received a donation or subsidy in 2007 / 2008 who did not make an application for the 2008 / 2009 financial year.

The request for donations for the 2008 / 2009 financial year were advertised in the local media on the following dates:

1. 24th September 2007
2. 1st October 2007
3. 8th October 2007

A media release promoting the donation review was issued on the 27th September 2007. As noted in the November 2007 report, 72 organisations receiving a contribution from Council were written to on the 11th September 2007.

An additional letter and Donation form was issued to the 15 organisations that did not respond. In some instances telephone contact was made.

Following the issue of the 2nd letter, 10 responses have been received.

A full summary of all requests for donations received is [\(Appendix P – Page J35\) – Part 2 Page J42](#).

The following 6 organisations have not responded.

Organisation	2006 / 2007 - Donation / Subsidy	Value 07 / 08
Smithtown Literacy Institute (Hall)	100% Ordinary Rate	\$1,772.44
Hat Head Surf Club	100% Ordinary Rates \$2,500 towards operational costs	\$938.50, this is for Water, Sewer and Garbage there was no ordinary rates levied. \$2500
Kempsey TAFE College (James Salter Memorial)	\$50	\$50
Kempsey Macleay RSL	100% rates & access charges	\$1524.86
Hat Head Bowling Club	\$50 (Bowling Competition)	\$50
Rifle Range	50% Business Rate	\$1067.85

Also attached to this report is: -

- a list of those organisations not recommended for funding [\(Appendix Q – Page J47\)](#).
- a copy of an interim revised policy [\(Appendix R – Page J51\)](#) which will be reviewed prior to the call for submission for the 2009 / 10 year.

REPORT IMPLICATIONS:

- **Environmental**

Nil

- **Social**

Nil

- **Economic (Financial)**

That existing Section 356 funds are insufficient to meet community requests for donation. Council should consider increasing the Section 356 funds for community activities and make provision for unplanned requests for donations in the 2008 / 2009 budget.

- **Policy or Statutory**

Department of Local Governments Ruling on Donations

Under Section 356 of the Local Government Act, Council may “in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.

The intent of that section is to ensure that prior to making a decision to use community resources and / or expend public

money in a form of financial and other assistance to persons, councils should comply with the requirements that are designed to promote better accountability and transparency in relation to council decision making processes."

- *Director's Review*

There are insufficient Section 356 funds to meet community demand. Council has a role in providing opportunities for community development and capacity building. Council should consider increasing the available budget to accommodate worthy community projects whilst maintaining a reserve for future opportunities that may arise.

RECOMMENDATION:

1. That the recommended proposed donations as recommended in [\(Appendix P – Page J35 – Part 2 Page J41\)](#) to the Directors Report be adopted by Council.
2. That Council extends the book / award donation to all schools within the Macleay Valley as part of the 2008 / 2009 donations program.
3. That Council adopts the amended Donations and Grants and Subsidies Policy No. C21:7 [\(Appendix R – Page J51\)](#) and that a further review of the Policy be undertaken prior to March 2009.
4. That Council notify the successful and unsuccessful applicants for donations and subsidies in the 2008 / 09 year.
5. That Council writes to the organisations that currently receive financial assistance who did not apply for 2008 / 2009 financial support to advise that Council will not be in a position to provide financial assistance in the 2008 / 09 year.

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G B Snape
DIRECTOR CORPORATE & COMMUNITY SERVICES