

CP23 - DONATIONS AND PROVISION OF FINANCIAL ASSISTANCE POLICY

OBJECTIVES

The Wentworth Shire Council regularly makes financial and/or in-kind contributions to groups, organisations and individuals. These donations are an important part of Council's strategy for meeting some of the needs identified in its Social Plan and meeting its access and equity obligations.

However, the Council recognises that there can be difficulties in meeting community expectations with the increasingly limited financial resources available. Council also recognises that it is accountable to the community for the management and disbursement of its funds and that this must be done in a manner that maximises the benefits to the community and is seen to be fair and equitable. It also recognises that the groups or individuals in receipt of Council funds have a responsibility to use those funds for the purposes for which they were given and that those purposes are of benefit to the community.

This policy therefore, is to assist the Council to achieve its aims by promoting the establishment of strategies and processes which effectively control the manner in which it provides assistance to the community.

1. POLICY STATEMENT

According to the Independent Commission Against Corruption, all public sector organisations that administer funding programs need to develop and implement practical mechanisms to increase accountability for these grants. They should make sure that they, the funding body, as well as the funded organisation clearly understand their respective roles and obligations, the desired outcomes of the program and how it will be monitored and evaluated. Such measures will also help to reduce the opportunities for corruption and increase public confidence.

Section 356 of the *Local Government Act 1993* prescribes the requirements when Councils provide financial assistance to others (including charitable, community and sporting organisations and private individuals).

This policy seeks to set out the processes by which Council provides assistance to the community either through cash contributions or through in-kind support.

2. APPLICATION

This policy applies to all direct financial support and/or in-kind support provided by Council to any individuals or organisations. The policy is limited to individuals or organisations residing or located in the Shire.

3. DEFINITIONS

3.1 Donation

A *donation* is any financial or in-kind assistance that is provided by Council to any individual or organisation.

3.2 In-kind

This is a donation involving the use of Council personnel or equipment rather than the direct provision of financial assistance.

4. COUNCIL'S COMMITMENT

Council makes a commitment to:

- (a) consider applications each year for the purpose of providing assistance to the community;
- (b) make decisions on the granting of assistance based upon need and in conformity with this policy and with Council's Social Plan and Management Plan;
- (c) distribute its donations and provide in-kind assistance in a transparent and equitable manner;
 - (a) ensure that any funding it provides is spent on the purpose for which it was provided and for the benefit of the residents of the Shire.

5. COMMUNITY DONATION PROGRAM

5.1 Purpose

To provide small, one-off donations for specific requests that arise during the year and are outside the guidelines of other grant programs

5.2 Limit

This comprises cash or in-kind donations nominally up to \$500.

5.3 Method of application

Applications may be made in writing at any time of the year.

5.4 Approval

Donations are determined by the Mayor directly at time of request. An amount is included annually in Council's Management Plan for this purpose.

5.5 Acquittal

No formal acquittal is required, but an acknowledgment of the donation is required.

6. COMMUNITY DEVELOPMENT GRANT PROGRAM

6.1 Purpose

To provide grants to initiate new and innovative community development projects. They are designed for non-profit community groups based in the Shire to apply for grants where no alternative sources of funding exist. Grants are not available for political parties or religious organisations (except for community development projects). Grants may be made to sporting organisations; however, they will be encouraged to seek assistance from other sources, such as the Department of Sport & Recreation, before applying to Council. In situations where the grant is used to help earn additional income, Council may require the refund of its contribution should the organisation make a profit on its project.

6.2 Limit

Nominally one-off grants of \$501 to \$3,000, although Council at its discretion, may determine otherwise.

6.3 Method of application

Applications may be made in writing at any time of the year.

6.4 Approval

Donations in excess of \$3,000 are determined by Council based upon recommendations from the General Manager and/or Director of Corporate & Community Services.

Donations of \$3,000 or less may be determined by the Mayor from the amount included annually in the Management Plan for this purpose.

6.5 Acquittal

Formal acquittal is required. The recipient organisation is required to:

- (a) sign a form accepting the conditions of the grant;
- (b) complete an evaluation report for Council after the funds have been spent with details of how funds were spent, by using the evaluation form provided by Council;
- (c) include receipts for any equipment purchased where funds are approved for the purchase of equipment; the equipment is to be identified as an asset for the organisation. Should the organisation cease to exist, the equipment is to be returned to Council;
- (d) supply copies of promotional materials and acknowledgment of Council's support;

Council will inform the organisation should a refund be required

7. COMMUNITY DEVELOPMENT LOAN PROGRAM

7.1 Purpose

To provide interest free loans to community organisations to assist with the conduct of community events. In particular, the loans are to be used as start-up funding to be repaid from the profits earned by an event.

7.2 Limit

Nominally loans up to \$5,000, but Council at its discretion, may determine otherwise.

7.3 Method of application

Applications may be made in writing at any time of the year. Applicant organisations should address the points set out in Appendix 1 – Schedule of Conditions in this policy.

7.4 Approval

Loans are determined by Council directly at time of request.

7.5 Repayment

It is expected that the loans will be repaid within a twelve month period unless otherwise determined by Council.

7.6 Acquittal

The recipient is required to provide a formal acquittal of the loan. This involves the completion of an evaluation report, using evaluation forms supplied by Council.

8. IN-KIND DONATIONS

8.1 Purpose

To provide assistance to community organisations through the provision of Council labour or equipment.

8.2 Limit

Nominally labour or equipment costs up to \$3,000, but Council, or its delegate, at their discretion, may determine otherwise.

8.3 Method of application

Normally these requests should be regarded as either Community Donations or Community Development Grants. However, situations occasionally arise where Council assistance is needed and applications have not been previously made. The requesting organisation should then apply in writing, clearly setting out the nature of the in-kind donation required.

8.4 Approval

In-kind donations are determined by Council or delegate directly at time of request. Pursuant to Council's delegation policy, the General Manager has delegated authority to consider applications for in-kind donations.

8.5 Acquittal

The recipient is required to acknowledge Council's assistance in any publicity associated with the event for which assistance is provided.

9. COUNCIL IMAGE

All applications for Community Development Grants and Recurrent Funding should indicate how Council's support will be acknowledged.

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APPENDIX 2: SCHEDULE OF LOAN CONDITIONS

1. Applicant organisations must be able to demonstrate that they have the necessary expertise to manage the proposed project;
2. Applicants must be able to demonstrate that they will be able to repay the loan funds on the due dates;
3. The repayment period cannot exceed a year unless otherwise approved by Council;
4. Financial assistance from the Community Development Loan Fund is designed to assist the applicant to proceed with the project. The applicant has the prime responsibility for the project;
5. The loan is available to meet expenditure incurred only in respect of the approved project;
6. The approved project shall be completed within such period as the Council may approve;
7. A person authorised by the applicant organisation will be required to accept in writing the set conditions applicable to the loan;
8. Should the applicant organisation not repay the loan in full within the set period, then no further loans will be made to the organisation until the loan has been repaid in full.