



## Financial Assistance

### 1. Intent of Policy

To provide financial assistance to local activities and services which improve the community's well-being while ensuring that the provision of financial assistance is in accordance with the requirements of the Local Government Act 1993 and that allocations of public funds are made in a consistent, equitable and transparent manner.

### 2. Scope of Policy

This policy applies to any financial assistance given by Council to others (including charitable, community and sporting organisations and private individuals).

It is not intended that this policy refer to payments to be made to organisations conducting tourism related activities, which in the past have included payments to regional and local tourism associations, the Daffodil Festival organising committee, tourist brochures, visitors guide advertising and the local Art & Craft committees for acquisitive prizes. These costs will be met out of Council's normal operating budget and are considered part of its direct service delivery of Tourism /Events and Arts & Cultural Activities.

*Relevant Statutory Requirements specific to the policy;*  
 Section 8 & 356, 428(2)(l) Local Government Act  
 Section 4 Charitable Fundraising Act 1991

*Other NSW Government policy Provision;*  
 Department of Local Government Circulars to Council – 06-32, dated 18/5/2006

### 3. Guidelines

#### **Local Government Act Section 356**

#### ***Can a council financially assist others?***

*(1) A 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.*

*(2) A proposed recipient who acts for private gain is not ineligible to be granted financial assistance but must not receive any benefit under this section until at least 28 days' public notice of the council's proposal to pass the necessary resolution has been given.*

*(3) However, public notice is not required if:*

*(a) the financial assistance is part of a specific program, and*

*(b) the program's details have been included in the council's draft*

*management plan for the year in which the financial assistance is proposed to be given, and*

*(c) the program's proposed budget for that year does not exceed 5 per cent of the council's proposed income from the ordinary rates levied for that year, and*

*(d) the program applies uniformly to all persons within the council's area or to a significant group of persons within the area.*

*(4) Public notice is also not required if the financial assistance is part of a program of graffiti removal work.*

### **Oberon Council Section 356 Financial Assistance Program**

#### **Discretionary**

Each year Council considers the need for and level of funds that can be provided for the discretionary Financial Assistance Program and will set aside an appropriate amount in the budget for the Program. The elected Council determines whether there will be a priority focus for funding each year, and it may choose to set aside some or all of the funds for projects targeting specific groups such as "older people" or "charitable bodies". This will be communicated each year in Council's Management Plan process so that all persons within the area can apply. Separate application will need to be made each year for this type of assistance.

#### **Annual**

Council has also resolved that annually it will also provide the following recurrent financial assistance to the following organisations and will set aside an appropriate amount in the annual operating budget. Separate application will not need to be made each year for this type of assistance. However, Council may discontinue this assistance at any time by Council resolution.

1. Council will provide annually a donation equivalent to the sewerage charges raised against

- Oberon District Museum Society Incorporated
- Scout Association
- Showground Trust

This will involve a payment from the general fund allocation to the sewerage fund.

2. Water supplied to the Oberon Golf Club Ltd for the maintenance of the Oberon Golf Course will be provided at the cost of purchasing water from the Fish River Water Supply. This will involve a payment from the general fund allocation to the water fund for the difference in advertised tariff.

3. Council will provide annually a donation equivalent to the annual charges and water consumption charges for the assessment relating to the Oberon RSL Sub Branch War Memorial. This will involve a payment from the general fund allocation to the water fund for the difference in advertised tariff.

3. Council will provide annually a donation equivalent to the Oberon RSL Sub Branch difference between business rates and residential rates from 1 July, 2008 to the Oberon RSL Sub Branch for the war memorial and museum land.

4. The Oberon Golf Club will be financially assisted annually by the following

- Council assist the Oberon Golf Club with ongoing maintenance of plant to be carried out at the Council Depot.
- Assistance be given for any major tree removal at the course.

- Council direct the bulk supplier of fuel which is delivered to the Council Works Depot to also supply fuel to the Golf Club site and the Golf Club meet the cost of such fuel.
- Council place the capital assets located on the Crown Land site occupied by the Golf Club onto its assets register for insurance.
- A report be presented quarterly to Council summarising the costs of assisting the Golf Club.

5. The Oberon Rugby will be financially assisted annually to maintain grounds. The allocation will be determined by Council each year.

6. The Oberon Cobweb will be financially assisted annually to provide adequate lighting to house the Oberon Tapestries

### **Applications**

Requests for discretionary financial assistance from Council' Financial Assistance program should be in writing and the projects should meet the assessment criteria. Council can only consider the project specified in the application. No negotiations on project proposals will be entered into once an application has been received.

The application must clearly identify which organisation is auspicing/managing the funds for the group/individual and project.

To comply with the requirements of the Federal Government's Goods and Services Tax (GST), it must advise if the body is registered for the GST and if so the Australian Business Number. If the body is not registered, and not required to do so, a statutory declaration must be provided with the application which formally advises Council of this position.

Applications will initially be assessed within the Corporate Services Division to ensure the body meets these guidelines and the funds sought can be justified from the application. The Director of Corporate Service will submit a report to Council with recommendations to fund priority projects within the Council budget allocated. Depending on funding priorities and the availability of other resources, recommendations may be made to partially or fully fund projects as submitted.

The elected Council makes a final determination on which applications will be approved for funding, and what amount is to be allocated. The decision will be recorded in Council minutes and may be published in the local media.

### **Assessment criteria**

Council will consider applications from organisations for charitable purposes within the definitions of the Charitable Fundraising Act, 1991

- ***charitable purpose*** includes any benevolent, philanthropic or patriotic purpose.
- ***organisation*** includes any board of trustees or other body of persons, whether incorporated or unincorporated.

Council will also consider applications from local, not for profit, sporting, arts and, cultural organisations.

The project identified for assistance must provide services or activities that meet the needs and benefit the residents of the Oberon Council area and as required by the Local Government Act be, *for the purpose of exercising its functions*. The Charter in the Act articulates those functions and they are listed below;

- *to provide directly or on behalf of other levels of government, after due consultation, adequate, equitable and appropriate services and facilities for the community and to ensure that those services and facilities are managed efficiently and effectively*
- *to exercise community leadership*
- *to exercise its functions in a manner that is consistent with and actively promotes the principles of multiculturalism*
- *to promote and to provide and plan for the needs of children*
- *to properly manage, develop, protect, restore, enhance and conserve the environment of the area for which it is responsible, in a manner that is consistent with and promotes the principles of ecologically sustainable development*
- *to have regard to the long term and cumulative effects of its decisions*
- *to bear in mind that it is the custodian and trustee of public assets and to effectively account for and manage the assets for which it is responsible*
- *to facilitate the involvement of councillors, members of the public, users of facilities and services and council staff in the development, improvement and co-ordination of local government*
- *to raise funds for local purposes by the fair imposition of rates, charges and fees, by income earned from investments and, when appropriate, by borrowings and grants*
- *to keep the local community and the State government (and through it, the wider community) informed about its activities*
- *to ensure that, in the exercise of its regulatory functions, it acts consistently and without bias, particularly where an activity of the council is affected*
- *to be a responsible employer.*

Applicants must address in their application the needs being addressed, the benefits provided for the community and relevance to the Council's charter.

Council will assess each application on its merit using the above criteria.

### **Accountability**

The body receiving financial assistance will be accountable to Council for the administration of any funds provided.

Council must be immediately notified and its approval obtained for any changes in the proposed use of its funding. Where the change is not approved any funding provided under the program must be immediately returned.

Council will expect a written report for financial assistance over \$1,000. The acquittal report should include receipts and also any relevant publicity and promotional material associated with the project.

### **Public Notice**

If the request for financial assistance is for private gain and/or does not fall within Council's specific program the Director of Corporate Services will advise Council of this in the report (see Applications above). If Council still wishes to provide assistance the following procedures will ensure that the required public notice is given:

The General Manager will inform the Council that at least 28 days public notice of a proposal to pass a resolution to grant financial assistance is required. In the interest of openness and transparency in Council decision making the public notice must include details of recipient and amount proposed to be financially assisted.

The Director of Corporate Services will then arrange appropriate advertising and prepare a report after the public notice period has elapsed which includes any submissions.

The elected Council makes a final determination on which applications will be approved for funding, and what amount is to be allocated and if this policy needs to be altered to accommodate the resolution.

As required by the Local Government Act Section 428(2)(l) the total amount contributed or otherwise granted under section 356 will be disclosed in Council's Annual Report

Approving Authority	Oberon Council
Contact	Director of Corporate Services
Approval	This policy incorporates and replaces previous policies 2204, 2206, 2209 & 2210
Revised:	17 March 2009: Item B4, Minute 19
Revision Date	March 2011
Issue Date to Staff	March 2009