

8.1 MAYOR OF BATHURST CHARITABLE FUND (MBCF)

File No: 03.00477

RECOMMENDATION:

That Council establish a *Mayor of Bathurst Charitable Fund* to attract charitable and philanthropic donations across Council's operations and tie seven separate existing donation vehicles under one single philanthropic umbrella policy.

By donating to this fund, donors can specify which area of Council operations they wish to support to directly benefit the Bathurst community in the manner of their choosing.

It is noted that Tax Deductible Gift Recipient status apply for donations directed to:

- Bathurst Library
- Railway Museum
- Chifley Home Museum
- Bathurst Regional Art Gallery
- National Motor Racing Museum
- Australian Fossil & Mineral Museum
- Bathurst Memorial Entertainment Centre

REPORT:

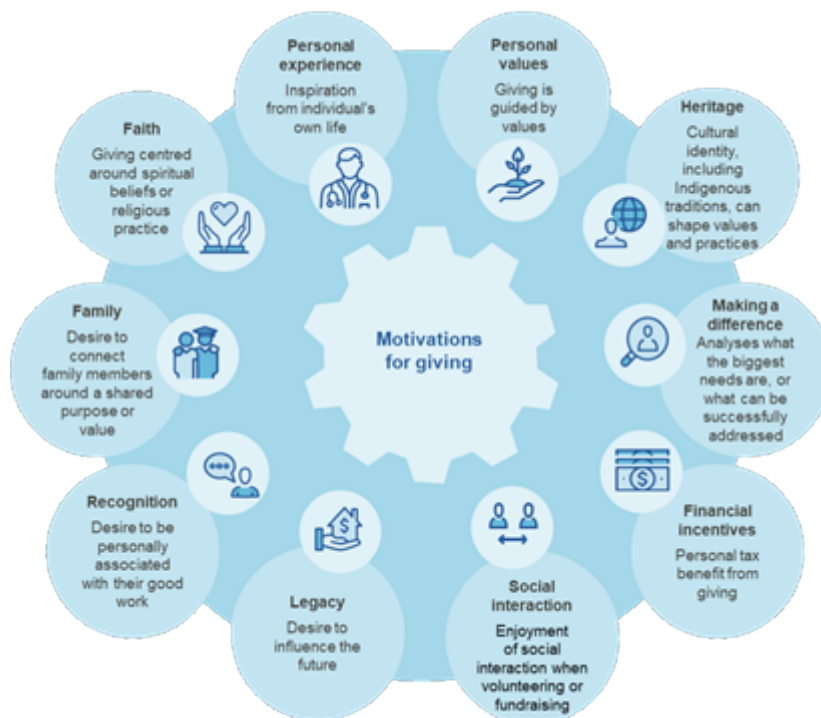
Australia has a growing culture of philanthropy and Bathurst Regional Council has Tax Deductible Gift Recipient (DGR) status for seven cultural and community assets. The *Mayor of Bathurst Charitable Fund* ties these seven separate donation vehicles under one single umbrella policy.

This philanthropic connection across Council offers donors to have their contribution publicly recognised for what it is: a generous donation to the betterment of the entire Bathurst community that goes beyond the specific activity they wish to support. Anonymity is available if the donor prefers, noting that Council's existing Code of Conduct rules always apply.

The dollar value of philanthropy is growing in Australia, although the number of donors has declined slightly over the past decade. Nevertheless, a key trend in philanthropy is that more personalised donor experiences are becoming more popular, as is flexibility in the choice of projects to donate to. See Figure 1 below as a guide to the motivations for giving.

The *Mayor of Bathurst Charitable Fund* offers donors a personalised connection with Council across an array of interests for the betterment of the Bathurst community.

Figure: Motivations for giving



References:

1. Philanthropy Australia website: www.philanthropy.org.au
2. Productivity Commission, *Philanthropy Public Inquiry*, see www.pc.gov.au

A copy of the Mayor of Bathurst Charitable Fund procedure can be found at **attachment 1**.

FINANCIAL IMPLICATIONS:

Nil at this stage.

BATHURST COMMUNITY STRATEGIC PLAN – OBJECTIVES AND STRATEGIES:

Objective 2: A smart and vibrant economy.

Strategy 2.6 Promote our City and Villages as a tourist destination.

Objective 4: Sustainable and balanced growth.

Strategy 4.1 Facilitate development in the region that considers the current and future needs of our community.

COMMUNITY ENGAGEMENT:

01 **Inform** - to provide the public with balanced and objective information to help them understand the problem, alternatives, opportunities and/or solutions.

ATTACHMENTS:

1. MAYOR OF BATHURST CHARITABLE FUND [8.1.1 - 3 pages]

MAYOR OF BATHURST CHARITABLE FUND (MBCF)

File :

PURPOSE

Council has established the Mayor of Bathurst Charitable Fund to attract charitable and philanthropic donations across Council's operations and the seven separate existing donation vehicles under one single philanthropic umbrella policy.

By donating to this fund, donors can specify which area of Council operations they wish to support to directly benefit the Bathurst community in the manner of their choosing.

It is noted that Tax Deductible Gift Recipient status applies for donations directed to:

- Bathurst Library
- Bathurst Rail Museum
- Chifley Home and Education Centre
- Bathurst Regional Art Gallery
- National Motor Racing Museum
- Australian Fossil & Mineral Museum
- Bathurst Memorial Entertainment Centre

Clause 1

The Mayor of Bathurst Charitable Fund offers donors a personalised connection with Council across an array of interests for the betterment of the Bathurst community.

Clause 2

Bathurst Regional Council welcomes any opportunity to increase the amenity of our Region for the community. Donations are an opportunity to increase the level of service provision to the community, whilst at the same time containing the direct community cost of service provision to affordable levels. Council views donation activities as one way of increasing community participation, which is part of a healthy and vibrant community.

Clause 3

No donation agreements will be entered into which impose or imply conditions that would limit, or appear to limit, Council's ability to carry out its functions fully and impartially.

Donations are not to be entered into that involve a conflict or a perceived conflict, between the objectives and mission of Council and those of the donor.

This includes but is not limited to:

- (a) Persons/bodies involved in the manufacture, distribution and sale of illegal drugs, or any other illegal activity;
- (b) Persons/bodies whose services or products are injurious to health, or are seen to be in conflict with Council's policies and responsibilities to the community;
- (c) Persons/bodies who are in breach of regulations administered by Council eg an organisation operating without development approval;

Each donation is to be assessed on the individual merits of the donor and the item/events to be funded.

Clause 4

Donations must not involve Councillors or employees of Council receiving a personal benefit. Where a benefit is provided by a donor on a corporate basis (eg meeting the cost of hospitality at a conference) Council should ensure there is not a perception of a public benefit being given to a public official as an individual. The issue of personal benefit is addressed in greater detail in Council's Code of Conduct.

Clause 5

Council has a Code of Conduct which sets the minimum standards of conduct for council officials. It is prescribed by regulation to assist council officials to:

- Understand and comply with the standards of conduct that are expected of them
- Enable them to fulfil their statutory duty to act honestly and exercise a reasonable degree of care and diligence (section 439)
- Act in a way that enhances public confidence in local government.

Clause 6

When donations are secured from persons or bodies which are, or are likely to be, subject to regulation and/or inspection by Council during the life of the donation, donors are to be advised in writing that:

Such donation negotiations have no relationship or bearing on Council's exercise of its regulatory and/or inspectorial functions. Donors are to be informed in writing, that Council may terminate any agreement if the donor should engage in any activity that contravenes Council regulations. Such termination will not entitle either party to claim compensation.

Clause 6

Where a donation arrangement is entered into between Council and any person/body such arrangement is to be described in a written agreement, often an exchange of letters will suffice. The agreement should clearly set out:

- (a) Objective of the donation;
- (b) The benefits, including economic benefits, available to the donor agency (if applicable) and to the donor;
- (c) Any personal benefits available to the donor's acquaintances, employees and/or their relatives;
- (d) The form or forms of donation acknowledgement which will be available;
- (e) The scope of uses which the donor can make of the donorship arrangement;

- (f) Consequences of changes which may occur over time (for example, a shift in the relationship, new policies, new corporate missions or objectives);
- (g) Financial accountability requirements;
- (h) Provisions for conflict resolution, termination or suspension of the agreement;
- (i) Any special conditions that apply;
- (j) Any evaluation processes that are to occur.

Clause 7

Council will set up a Trust Fund within in its Trust Ledger and manage all funds received to the MBCF through this Trust Fund,

Clause 8

The fund will operate as a non-profit fund. All fund earnings except interest will be returned back to the fund and will be used to achieve the Vision of the Council as expressed in Council's Community Strategic Plan. Interest of the monies held in the fund will not accrue, as an offset for Council not seeking to recoup its costs in administering the fund.

Clause 9

Reconciliations and accounts will be prepared for the Fund on a quarterly basis to ensure that all monies are correctly accounted for and used for the purposes detailed in the donation agreement(s).

Clause 10

The Governance structure of the MBCF will be through a Council Committee consisting of the Mayor, a nominated Councillor, General Manager and the Director Cultural & Community Services.

Clause 11

Donor's are entitled to request that their donation is treated anonymously. Such a request needs to be in writing.

Clause 12

Council will include a statement of activity and funds held as at 30th June each year in Council's Annual report.