

# POLICY



**Date adopted:** 30/05/2017  
**File no:** 128723-2  
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**Policy title:** **MAYOR'S AND COUNCILLORS' COMMUNITY BENEFIT FUND**

**Directorate:** ORGANISATIONAL SERVICES

**Branch:** CORPORATE GOVERNANCE

**Policy objective:** To guide the allocation of monies from the Mayor's and Councillors' Community Benefit Fund in accordance with the *Local Government Act 2009* and Local Government Regulation 2012.

To meet the annual reporting requirements under section 189 of the Local Government Regulation 2012.

**Policy scope:**

To guide the allocation of funding provided by the Mayor and councillors to individuals and community based organisations.

Grants under this policy must meet the community purpose requirements and accountability requirements in the policy titled 'Grants to Community Organisations'.

**Definitions:**

TERM	DEFINITION
Community organisation	Is defined as per the dictionary schedule of the Local Government Regulation 2012, community organisation means: (a) an entity that carries on activities for a public purpose; or (b) another entity whose primary object is not directed at making a profit.
Discretionary funds	Is defined in section 109 of the <i>Local Government Act 2009</i> as follows: Discretionary funds are funds in the local government's operating fund that are - (a) budgeted for community purposes (b) allocated by a councillor at the councillor's discretion.
Community Purpose	For the purpose of this policy, "community purpose" is defined as any activity that: (a) encourages physical activity through participation in sporting, recreational and social pursuits (b) fosters an understanding and appreciation of the city's heritage and cultural diversity (c) promotes and encourages environmental protection and

TERM	DEFINITION
	sustainability (d) supports and builds relationships with disadvantaged or vulnerable groups in our community (e) provides economic benefits to the city including promoting employment opportunities (f) encourages and promotes educational opportunities and initiatives (g) supports our city vision of 'Innovative, Dynamic, City of the Future'.

**Policy statement:**

The following procedure is to be undertaken for this policy:

1. Each year the Council may determine that an appropriation shall be set aside in each new budget for the purpose of meeting emergent requests for financial assistance or capital improvement programs as decided upon by the Mayor and divisional councillors from community organisations and individuals.
2. Separate expenditure accounts shall be established for the Mayor and each divisional councillor within the Corporate Governance branch budget for this purpose and funds will be allocated to each expenditure account in accordance with the Council's annual budget.
3. Section 202 of the Local Government Regulation 2012, prescribes the requirements that Councils must follow in administering discretionary funds. These requirements are as follows:

**202 Requirements about discretionary funds—Act, s 109**

1. *This section prescribes requirements for—*
  - (a) *a local government for making discretionary funds available; and*
  - (b) *a councillor for using discretionary funds.*
2. *A local government must, within 20 business days after adopting its budget for a financial year, publish a notice (the **availability notice**) stating—*
  - (a) *the amount in the local government's discretionary funds budgeted for use by each councillor for the financial year; and*
  - (b) *that community organisations may apply for allocation of the funds; and*
  - (c) *how to apply for allocation of the funds.*
3. *The availability notice must be—*
  - (a) *published on the local government's website; and*
  - (b) *displayed in a conspicuous place in the local government's public office.*
4. *A councillor may use the councillor's discretionary funds in any of the following ways—*
  - (a) *to spend for a community purpose;*
  - (b) *to allocate for capital works of the local government that are for a community purpose, but only with the approval of —*
    - (i) *if the councillor is the mayor - the deputy mayor and the chief executive officer; or*
    - (ii) *otherwise - the mayor and the chief executive officer;*
  - (c) *to allocate to a community organisation for a community purpose.*

5. *The mayor, the deputy mayor or the chief executive officer must have regard to the local government's 5-year corporate plan, long term asset management plan and annual budget when deciding whether to approve the allocation of a councillor's discretionary funds under subsection (4)(b).*
  6. *For subsection (4)(c), a councillor —*
    - (a) *may allocate funds only to community organisations that have applied for the funds in the way stated in the availability notice; and*
    - (b) *must allocate the funds in a way consistent with the local government's community grants policy.*
  7. *As soon as practicable after and amount has been allocated from a councillor's discretionary funds, the local government must publish a notice stating—*
    - (a) *the amount and purpose of the allocation; and*
    - (b) *where an amount has been allocated to a community organisation, the name of that community organisation.*
  8. *The notice under subsection (7) must be published under subsection (3)(a) and displayed under subsection (3)(b).*
4. In accordance with Council's 'Grants to Community Organisations' policy and clause 3 of this policy, the Mayor and each divisional councillor is authorised to recommend grants and projects not exceeding the annual allocation adopted by Council in its annual budget, subject to the funding criteria in clause 5 and Council's 'Grants to Community Organisations' policy.
  5. The following criteria will apply to all requests received from individuals or community organisations:
    - (a) funding must be allocated in accordance with the *Local Government Act 2009*, *Local Government Regulation 2012* and Council's 'Grants to Community Organisations' policy
    - (b) requests must be for non-profit community based purposes
    - (c) political parties are ineligible for funding
    - (d) requests must be in writing setting out details of the request and its purpose
    - (e) all applicants must be free of debt with the Council
    - (f) grants must be drawn by cheque or electronic funds transfer
    - (g) the accountability requirements, as specified in clause 6, will apply to any grant over \$250 for individuals or \$500 for community organisations
    - (h) community benefit funding requests (which may include contributions from more than one councillor and the Mayor), which exceed \$2,500 per applicant for the financial year must be referred by the Corporate Governance Manager to the Council for determination, with the exception of those funding applications mentioned in clause 7
    - (i) applicants that have applied for, or have already received, funding for the same purpose via any other Logan City Council grant program are ineligible.
  6. The Corporate Governance Manager will enforce the following accountability requirements for any grant over \$250 for individuals or \$500 for community organisations:
    - (a) For grants over \$250 to individuals, the individual must provide proof of purchase and/or use of the grant for the prescribed purpose. This proof will involve producing receipt(s) or other documentation acceptable to the Corporate Governance Manager. If proof of expenditure for approved purposes cannot be produced, the individual is to refund the grant monies.

- (b) For grants over \$500 to community organisations, the organisation must provide a receipt or proof of expenditure. If proof of expenditure for approved purposes cannot be produced, the organisation is to refund the grant monies.
7. Where funding has been provided:
- (a) to purchase a table of tickets to attend and support a not for profit, community based organisation fund raising event, dinner or function; or
- (b) to an internal branch of Logan City Council for a community purpose  
the organisation will be exempt from the acquittal process in clause 6(b).
- A tax invoice, receipt, invitation or similar proof of purchase is still required for auditing purposes and will be enforced by the Corporate Governance Manager.
- These types of applications are also exempt from being referred to Council for approval as required in clause 5(h).
8. Having satisfied themselves that a request complies with clause 5 above, divisional councillors shall be authorised to recommend allocations from their individual Community Benefit Fund as set out below:
- (a) The Community Benefit Fund requests shall be by way of "Funding Request Form – Mayor's and Councillors' Community Benefit Fund" form (ID: [8475372](#)) referred to the Corporate Governance Manager who will be responsible for:
- (i) assessing the request against clause 5 of this policy and Council's 'Grants to Community Organisations' policy
- (ii) where appropriate, authorising the processing of the councillor recommended allocations.
9. In accordance with section 202 of the Local Government Regulation 2012, the Corporate Governance Manager will maintain a record of all grants approved under the Mayor's and Councillors' Community Benefit Fund and will publish on Council's website and display on Council's public noticeboard monthly, the name of each community organisation or individual receiving funding, the amount and purpose of that funding.
10. Reporting and accountability requirements
- In accordance with section 189 of the Local Government Regulation 2012, the Corporate Governance Manager will keep a Register of Grants to Community Organisations under the Community Benefit Fund and ensure that the details of expenditure are recorded in Council's finance system with enough detail to allow for auditing purposes.
- A summarised expenditure figure is to be obtained by the Corporate Governance Manager from this register for the relevant financial year and provided to the Office of the CEO by 1 September of each year, for inclusion in Council's annual report.

**Related policies/legislation/other documents:**

DOC ID	DOCUMENT TYPE	DOCUMENT NAME
<a href="#">8475372</a>	Administration	Funding Request Form – Mayor's and Councillors' Community Benefit Fund
<a href="#">8953226</a>	Administration	Mayor's and Councillors' Community Benefit Fund Evaluation Form (Accountability)
<a href="#">5984249</a>	Policy	Grants to Community Organisations
-	Legislation	<i>Local Government Act 2009</i>
-	Legislation	Local Government Regulation 2012