

Committee: Finance Committee	Date: 9 December 2014
Subject: Guidelines for Disaster Relief Donations	Public
Report of: Town Clerk	For Decision
<p>Summary</p> <p>£100k per annum is allocated from the Finance Committee's City's Cash Contingency Fund for donation to disaster relief appeals. The purpose of this report is to enable a review of the principles that guide such grants.</p> <p>The Finance Committee has previously delegated authority to the Town Clerk (in consultation with the Chairman and Deputy Chairman) to make donations to appropriate disaster appeals. The Finance Committee has also approved guidelines for the making of such donations (the last review was in January 2013). The current guidelines are set out at Appendix 1.</p> <p>This report reviews the disaster relief donations made over the past 5 years (from 2010/11) and requests the Committee to consider whether it wishes to make any amendments to the Disaster Relief Donations Guidelines.</p> <p>Recommendation</p> <p>The Committee is recommended to review the Disaster Relief Donations Guidelines.</p>	

Background

1. At the Finance Committee meeting on 23 September 2014 the Committee requested that a report be submitted to a future meeting to provide a review of the policy in relation to charitable donations made by the City of London Corporation to Disaster Relief Appeals from charitable organisations.
2. Each year, the Committee earmarks £100,000 from the Finance Committee City's Cash Contingency Fund for donation to Disaster Relief Appeals. Authority to make these donations has been delegated from the Committee to the Town Clerk (in consultation with the Chairman and Deputy Chairman).
3. The following total donations have been made from the Contingency fund to Disaster Relief Appeals since 2010/11:

Year	Total donated
2010/11	£110,000 (additional £10,000 from general Finance Committee City's Cash Contingency)
2011/12	£85,000
2012/13	£50,000
2013/14	£75,000
2014/15 (to date)	£70,000
Total allocated	£500,000
Total donated	£390,000

4. On average, just over 75% of the funding allocated has been donated over the last five years.
5. The majority of donations over the past five years have been made to the British Red Cross.

Organisation	Number of donations	Total Donated
British Red Cross	10	£245,000
Disaster Emergency Committee	3	£130,000
RedR UK	1	£10,000
Friends of Colombia for Social Aid	1	£5,000

6. Broadly speaking, disaster relief appeals fall into two categories of disaster, namely natural disasters (such as extreme weather or famine) or man-made disasters (such as refugees from wars).

Type of disaster	Number of donations	Total donated
Natural	11	£280,000
Man Made	4	£110,000

Guidelines for Disaster Relief Donations

7. The current guidelines for Disaster Relief Donations are set out at Appendix 1. Currently this works through discussions between the Town Clerk, the Chairman and Deputy Chairman of the Finance Committee whereby a recommendation for a donation emerges. Reaching a conclusion as to whether to make a grant is influenced by media reports on the extent of the disaster and factual information about the situation provided by disaster relief agencies such as the Red Cross. The amount of any grant is also determined on this basis. The Town Clerk then executes the delegated authority granted to him by the Finance Committee to make the donation.
8. This is a useful system in that it allows decisions to be made very quickly (in line with the proposal in the guidelines to make donations within five days of a disaster).
9. The downside is that there are no clear guidelines for the Town Clerk, Chairman or Deputy Chairman as to what would be an appropriate donation, both in terms of the types of disaster relief appeals which the Finance Committee would be most willing to support, and the scale of donations that should be made. This can lead to delays in donations being made.
10. The existing process is driven by the awareness of the Town Clerk, Chairman and Deputy Chairman of ongoing appeals. This is the main reason why the majority of donations continue to the British Red Cross. The British Red Cross are extremely strong at informing potential donors of the launch of appeals and at extolling the benefits of any donations to the affected people.

11. These Guidelines, as approved by the Finance Committee in January 2013, are set out at Appendix A. The Guidelines provide appropriate direction for the making of donations, while also ensuring that there is flexibility to address each potential donation on its own merits. The Guidelines also allow the Town Clerk to exercise his delegated authority in a timely manner to ensure that donations can be made very quickly.
12. Discussion of the existing practices of charitable relief donations at the September 2014 meeting of the Committee did raise a number of areas which Members may wish to review. The most particular of these were the Chairman's concern regarding a distinction should be made between natural and man-made disasters and whether it may be possible to increase the level of funding earmarked for disaster relief donations.

Recommendations

13. The Committee is invited to consider the existing Disaster Relief Donation Guidelines, along with the issues raised by Members at the Committee's last meeting, and suggest any appropriate amendments to the Charitable Relief Donation Guidelines.

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