



Standing Committee on Economy and Gender and Economic Equality

Inquiry into Annual and Financial Reports 2021-2022 **ANSWER TO QUESTION TAKEN ON NOTICE**

Asked by Leanne Castley 8 November 2022: Andrew Barr MLA took on notice the following question(s):

Reference: Hansard [uncorrected] proof transcript Page 159

In relation to: Chief Minister's Charitable Fund

THE CHAIR: Yes. Thanks. I have questions about the Chief Minister's Charitable Fund. I know we have canvassed in previous hearings the high administrative expenses of Hands Across Canberra, schedule 2 part 2 of the funding deed between ACT government and the Hands Across Canberra states that, administrative and other expenses, i.e. everything other than funds handed out to charities, must not exceed 125,000 per annum. The first year it was excluded for a 225 and that was the 2018-19 agreement. However, in 2020 and 21 the expenses exceeded 800 and in 21-22 it looks to be upwards of 600,000.

I understand that Hands Across Canberra administers more than just the Chief Minister's Charitable Fund, however, I would just like your thoughts on how does the government satisfy itself that not more than 125 is set out to handle your chief minister's fund and that it seems to be a material portion of what Hands Across Canberra handle. Do you have thought on those high administrative costs much greater than chief minister's fund?

Mr Barr: Hands Across Canberra obviously has a range of activities that are outside of and form the predominance of their work outside of the Chief Minister's Charitable Fund. The contractual caps on administration were put in for a purpose. Clearly to ensure that there was an efficient management of the fund. Having an alternative of another organisation undertake the administration of the fund ran the risk of not being cost efficient in terms of the proportion of administrative costs to the value of the fund. I can take on notice and seek further information to ensure that the administrative costs are within the contracted amounts.

Andrew Barr MLA: The answer to the Member's question is as follows:–

Under the funding agreement for the Chief Minister's Charitable Fund (CMCF), a portion of funding can be used for administrative expenses.

The Deed of Grant at establishment, in line with industry norms, provided \$125,000 per annum to be used for general administration. An additional \$100,000 was allowed for expenses in the first year of operation of the fund due to the need to establish the necessary governance arrangements, systems, procedures, and marketing.

As additional funding is now directed to the CMCF, and CMCF is continues to work on building the pool of philanthropic funds in the ACT and supporting of a culture of private philanthropy in the ACT, the maximum funding amount per annum for administration expenses has been increased to \$250,000 per annum.

The CMCF provides CMTEDD copies of its annual audited financial statements, which confirm the amount of funding used for management and administration in each reporting period.

Approved for circulation to the Standing Committee on Economy and Gender and Economic Equality

Signature:



Date: 29. 11. 22

By the Chief Minister, Andrew Barr MLA