

Provision of Loans to Sporting and Community Associations Policy

POL-FCM 03



Objective

To outline fair and equitable guidelines for the provision of loan requirements to sporting clubs/associations and community groups.

Statement

The City may make loans available to sporting and community associations in accordance with the following principles:

- Loans will only be made available to organisations for the upgrade or refurbishment of existing City of Mandurah community infrastructure or for the purchase of capital items specific to the improvement and/or maintenance of the asset.
- Loans will not be made available as a capital contribution to the development of new facilities or to assist with day-to-day operating matters.
- Organisations must make sufficient data available to demonstrate a capacity to repay loans through the provision of but not limited to relevant Business Plans, Audited Financial Statements and other necessary documentation.
- Loans, and conditions of repayment, must be approved by Council. Budget adoption does not signify approval for a loan.
- Minor requirements up to \$50,000 may be funded on an interest free basis from the City's interest-free loan reserve.
- Where the City accesses borrowings to provide for an organisation's requirements, the cost of borrowings may be passed on to the organisation.
- The City reserves the right to seek guarantors for loans.

Where a loan obligation exists, leases and licences will be amended to state that default on repayments, or failure to comply with loan conditions, may be considered as a lease termination event.

Legislative Context

Local Government Act 1995

Responsible Directorate:	Business Services
Responsible Department:	Finance
Reviewer:	Manager Finance
Creation date and reference:	Minute G.45/8/01, 21 August 2001

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Last Review:

Minute G.12/7/19, 23 July 2019

Amendments			
Version #	Council Approval Date, Reference	Date Document In force	Date Document Ceased
2	Minute G.43/12/09	15/12/2009	24/02/2015
3	Minute G.35/2/15	25/02/2015	23/07/2019
4	Minute G.12/7/19	24/07/2019	-