

# Loans to Community Groups Policy

## 1 Purpose

This policy has been developed to outline the basis and conditions on which Council will approve loans to community groups which provide services on behalf of Council on Council land. These groups are not eligible to obtain loans from Financial Institutions as they do not own the land on which they provide services.

Section 356(1) of the *Local Government Act 1993* states: 'A council may, in accordance with a resolution of the council, contribute money or otherwise grant financial assistance to persons for the purpose of exercising its functions.'

## 2 Policy

### 2.1 General Conditions

Council will only lend where the applicant is an incorporated community group that provides services on behalf of Council on Council land.

The applicant is to provide detailed information that addresses the project and financial criteria detailed in the related procedure.

Council has to be satisfied that loan repayments can be met on the basis of the terms and conditions of the loan.

### 2.2 Assessment

The assessment of the applications will be conducted by an assessment group made up of the Group Leader Financial Services and Logistics and relevant Managers/Directors.

## 3 Definitions

**Council Land:** This is land either directly owned and controlled by Council or is Crown Land under the care and control of Council.

**Incorporated community group:** A group that is formally incorporated under relevant state or national legislation.

**Loan:** Funds provided to approved group at a set interest rate and term.

## 4 Key Responsibilities

Position	Directorate	Responsibility
Mayor	Council	To lead councillors in their understanding of, and compliance with, this policy and related procedures
General Manager	Executive	To lead staff (either directly or through delegated authority) in their understanding of, and compliance with, this policy and related procedures To approve resources to develop, implement and review this policy and related procedures
Directors	All Directorates	To communicate, implement and comply with this policy and related procedures

Position	Directorate	Responsibility
Group Leader, Financial Services & Logistics	Business Services	To implement this policy and related procedures
Directors and Group Leaders	All Directorates	Provide background information and recommendations in relation to applications covered in their areas of work.

## 5 References (laws, standards and other Council documents)

- Local Government Act 1993 Section 356

## 6 Details of Approval and revision

- **Approval date: 22/06/2017**
- **Responsible Section: Financial Planning**
- **Superseded policies/procedures:**
- **Next review date: 22/06/2021**

### Table of amendments

Amendment	Authoriser	Approval ref	Date