

## Governance 6: Self-Supporting Loans

---

### 1. Purpose

The purpose of this policy is to define the principles by which Council will assist community clubs and sporting groups seeking financial assistance to undertake capital works projects by way of self-supporting loans on land owned by or vested in the City of Kalamunda.

### 2. Policy Statement

The City of Kalamunda values the contribution to the community of Kalamunda by its community clubs and sporting groups and may provide financial assistance to these groups through the provision of self-supporting loans for approved capital work programs, subject to the following conditions:

- (a) The project is assessed as meeting a need required within the community.
- (b) The community group or sporting club is assessed as being financially viable and able to meet all loan repayments.
- (c) The community group or sporting club agrees to maintaining 'open book' accounts to be provided to the City and that they are audited annually by a practicing auditor.
- (d) The loan for capital improvements is only to be undertaken on land owned by or vested in the City.
- (e) Self-supporting loans being for a period of no longer than 5 years to a limit of \$100,000.
- (f) The community group or sporting club signing a Self-Supporting Loan Agreement, which includes a requirement for the payment of all loan repayments, interest on outstanding debts, administration or other fees incurred by the City with respect to the agreement.

### 3. Definition

*"Self-Supporting Loan"* is an amount of money raised by the City in its own name through a specific loan for a period of no longer than 5 years to a maximum of \$100,000 and provided to an approved community group or sporting club through a Self-Supporting Loan Agreement.

Status	Council Requirement		
Related Local Law	N/A		
Related Council Policies	N/A		
Relevant Delegation	N/A		
Related Internal Procedures	Governance 8: Risk Management (CM-FIN04 – Self Supporting Loans) – Updated Procedure Pending		
Related Budget Schedule	N/A		
Legislation	<i>Local Government Act 1995</i>		
Notes and Conditions	N/A		
Authority	Council		
Adopted	27 August 2019	Next Review Date	27 August 2021