

Policy P110 Financial Support of Community Organisations and Sporting Clubs

Responsible Business Unit/s	Community, Culture and Recreation
Responsible Officer	Manager Community, Culture and Recreation
Affected Business Unit/s	Community, Culture and Recreation

Policy Objectives

The City acknowledges the valuable role that local community organisations and sporting clubs play in ensuring that the local community has access to a wide range of leisure opportunities. This policy establishes the principles for the allocation of Council borrowings to support community organisations and sporting clubs for the purposes of capital improvements.

Policy Scope

This policy applies to all non-profit community organisations and sporting clubs occupying City owned or vested property that request financial support from the City for community recreation facility upgrades

Policy Statement

The City will consider requests for capital funding for facility development from local community organisations and sporting clubs.

The City will prioritise requests for capital funding through its annual budget setting process. The City may consider capital funding requests for eligible groups outside of this process subject to exceptional circumstances (e.g. to take advantage of an external funding opportunity; or respond to an emergency situation etc).

Community Sport and Recreation Facilities Fund (CSRFF) and Club Night Lights Funding Programs

Groups may apply to the City with requests for capital funding through the Community Sport and Recreation Facilities Fund and Club Night Lights funding programs administered by the State Government. The City's preferred stance is that it will contribute a maximum of one third of the project cost. However, in exceptional circumstances, where the club / community organisation can clearly demonstrate additional benefit (above and beyond the normal expectation) to the broader community, Council may be prepared to consider and formally resolve a greater contribution.

Self Supporting Loan

Non-profit community organisations and sporting clubs may apply to the City with requests to support capital funding of City owned or vested properties, through a self supporting loan. The City will consider providing self supporting loans to eligible applicants as follows:

- To mitigate serious risk and/or meet urgent capital requirements that will deliver demonstrated substantial benefits to the community in alignment with the City's Strategic Plan and priorities identified in the Corporate Business Plan
- The City's Long term Financial Plan is not compromised
- Regulated borrowing limits as determined by WA Treasury Corporation
- Where all other funding alternatives have been sourced and/or exhausted; or is part of a grant program (e.g. CSRFF)
- All costs incurred by the City will be recouped from the community organisation/sporting club applying for the self supporting loan, including (but not limited to): advertising costs; loan application fee; preparation costs; stamp duties, taxes and/or other duties; Western Australian Treasury Corporation (WARTC) fees etc
- An eligible community organisation/sporting club is only permitted to receive one active loan at any one time

Assessment

- The applicant community organisation/sporting club must provide evidence of incorporation
- The applicant community organisation/sporting club must demonstrate to the City's satisfaction the capacity to meet the loan repayments by the provision of forward financial plans covering the life of the loan. The financial plans are to be certified by an independent Certified Practising, Chartered or similarly qualified and experienced Accountant.
- The applicant community organisation/sporting club provides a business plan in support of the acquisition or development proposal that demonstrates the project is a priority for the club
- The applicant community organisation/sporting club can demonstrate a satisfactory payment history over a period of three consecutive financial years with at least three principal contractors/suppliers/entities (including the City of South Perth)
- The applicant community organisation/sporting club has no outstanding debt or default with the City of South Perth

The City may consider these requests only in circumstances where the group provides financial plans to the satisfaction of the City which demonstrate the ability of the group to repay the loan; without impose on ratepayers and where the borrowing does not have an adverse impact on the City's statutory Debt Service Ratios.

Other Requests for Capital funding

Groups may apply to the City with requests for capital funding that are not to be funded through a self-supporting loan or the Community Sport and Recreation Facilities Fund. In general, the maximum contribution that the City will make to these projects is one third of the final project cost or the approved maximum project cost. There may be occasions whereby the City will consider a higher project contribution subject to sufficient funds being allocated in the annual budget.

Legislation/ Local Law Requirements

Not Applicable

Other Relevant Policies/ Key Documents

P609: Lease of City Owned Buildings
City of South Perth Strategic Community Plan 2021-2031

Policy Number:	P110	Relevant Council Delegation:	N/A
Council Adoption:	28/05/13	Relevant Delegation:	N/A
Reviewed/Modified:	03/05, 02/11, 03/12, 03/13, 03/14, 01/15, 03/16, 08/16, 08/17, 03/21, 09/22, 12/23	Relevant Management Practice:	M110 Community Sport and Recreation Facilities Fund