LOANS TO NOT-FOR-PROFIT ORGANISATIONS POLICY

NO.: CPOL/CORP202

Responsible Officer: Director Corporate Services

Adopted:	March 2001	**Reviewed:**	September 2026
Next Review:	September 2030	**Type:**	Council Policy

1. PURPOSE

To provide a basis for Council to provide financial support by way of loans to Not-for-Profit organisations incorporated in and operating within the Council area

2. SCOPE

The Policy applies to all Staff and Councillors of Council.

3. DEFINITIONS

Term	Definition
ACNC	Australian Charities and Not-for-profit Commission
Act	Local Government Act 2020 (Vic)
Council or SHRCC	Swan Hill Rural City Council
Not-for-Profit Organisation	An organisation that: • is incorporated and maintains a valid registration with the ACNC, • incorporation in and/or has its registered address within the boundaries of Council, • Is engaged in providing free or subsidised community services for residents of the Council area and has been so engaged for a minimum of five years, • has a minimum of fifty active members in its membership register. • is currently technically solvent and is capable of meeting its financial obligations as and when they fall due, and • does not carry any other loans or other payable, that is due over a period of more than one year.
Policy	This Loans to Not-for-Profit Organisations Policy
Staff	All employees of Council including contracted individuals.

Terms defined in the above table will appear with a Capital first letter when used in the body of the document.

4. POLICY

Council may consider providing financial assistance by way of a loan to Not-for-Profit organisations where clear economic, social or environmental benefits will accrue to a broad range of Council residents.

The associated Loans to Not-for-Profit Organisations Procedure will specify the following:

- Criteria for a Not-for-Profit Organisation to be eligible for a loan.
- Projects and or infrastructure that is eligible for loan funding.

- Application and evaluation process for a loan under this Policy.
- Documentation and approval process related to the granting of the loan.
- Terms and conditions under which the loan would be provided.

Loans may only be granted under this Policy where the annual budgeting process of Council has made an allocation for the granting of such loans. Total loans granted in that financial year shall not exceed the approved budget allocation.

The granting of a loan under this Policy must be subject to an adoption of a Council resolution, made at a Council meeting that is open to the public. The report related to the granting of the loan shall contain a statement by the relevant officer, that all requirements specified in the Loans to Not-for-Profit Organisations Procedure (PRO/CORP202P) has been satisfied.

Only projects which add to the infrastructure available to residents and ratepayers of Council are eligible for loan funding under this Policy

All loans granted must be entered in a register containing the below information, that is available for public inspection on Council's website, and on request from Council.

- Name of Not-for-Profit Organisation receiving the loan
- Registered address of the Not-for-Profit Organisation
- Amount of loan
- Purpose of loan
- Repayment period
- Interest rate

5. RELEVANT POLICIES, PROCEDURES AND DOCUMENTS

Loans to Not-for-Profit Organisations Procedure (PRO/CORP202)

6. APPLICABLE LEGISLATION

Local Government Act 2020 (Vic)

7. DOCUMENT HISTORY

Ver. No.	Issue Date	Description of Change
1.0	March 2001	Initial release
1.1	March 2013	Review
1.2	June 2016	Review
2.0	September 2020	Review
3.0	September 2026	Review

Signed: DocuSigned by: Stuart King EB7439FF09B2493... **MAYOR** **Date:** **20 October 2026**