



Policy

R 1 Guarantees to Sports Clubs and Others

Adopted	Meeting	Extra Ordinary Council Meeting	Date	2 August 2008	Review Date	
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Background	Sports clubs and other community organisations may require a guarantor when raising a loan.
Purpose	To set out the criteria for the Council to be a guarantor.
Policy Statement	<p>That the policy decision in respect of guarantees for loans raised by sports clubs be:</p> <p>(a) "That the Council shall only consider acting as guarantor in respect of the repayment of loans where:</p> <p>(i) It has statutory powers to do so."</p> <p>(b) That a clause be inserted in all future leases to read as follows:</p> <p>"That in the event of the Club failing to meet its obligations in respect of any loan raised by the Club, the repayments of which have been guaranteed by the <i>Council</i>, the <i>Council</i> shall have the right to terminate this lease forthwith and all buildings erected on the land shall be delivered up to the <i>Council</i> and the <i>Council</i> shall not be liable to pay any compensation to the Club through any loss which the Club may sustain through such action on the part of the <i>Council</i>."</p>
Delegations	The following position holders have delegated authority from Council using the policy principles above. Nil
References	Nil