

Policy number	Policy 305
Policy title	Loan borrowing limitations
Strategic outcomes supported	CL2 – Finances are managed appropriately, sustainably and transparently for the benefit of the community. CL3 – Visionary civic leadership with sound and accountable governance that reflects objective decision-making.

POLICY OBJECTIVE:

To provide guidance as to the limitation on loan borrowings.

POLICY SCOPE:

This policy applies to loans obtained by the Town.

DEFINITIONS:

Nil.

POLICY STATEMENT:

In any financial year the combined cost of servicing loans, excluding the servicing cost of self-supporting loans, is not to exceed 10% of the total revenue from rates.

RELATED DOCUMENTS:

[Local Government Act 1995](#)

Policy manager	Chief Financial Officer
Responsible officers	Finance Manager Financial Controller
Approval authority	Council
Next Evaluation Date	

REVISION HISTORY

Version	Approved, Amended, Rescinded or Reviewed	Date	Authority	Resolution Number	Key Changes/Notes
1	Adopted	11/04/2006	Council	-	Item 4.3
2	Amended	15/08/2006	Council	-	Item 4.1
2	Reviewed	09/07/2013	Council	-	Item 10.1
2	Reviewed	11/08/2015	Council	-	Item 10.1
3	Reviewed and amended	20/08/2019	Council	148/2019	Item 10.1
3	Reviewed	18/02/2020	Council	326/2020	Item 15.7
4	Reviewed and amended	20/04/2021	Council	78/2021	Item 15.4