

## ITEM NUMBER: 17.2

### CONFIDENTIAL REPORT

#### MOTION ON NOTICE – GLENELG FOOTBALL CLUB – COUNCILLOR DONALDSON

*Pursuant to Section 83(5) of the Local Government Act 1999 the Report attached to this agenda and the accompanying documentation is delivered to the Council Members upon the basis that the Council consider the Report and the documents in confidence under Part 3 of the Act, specifically on the basis that Council will receive, discuss or consider:*

- d. **commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information, or to confer a commercial advantage on a third party; and would, on balance, be contrary to the public interest.**

**In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.**

**Recommendation – Exclusion of the Public – Section 90(3)(d) Order**

- 1 That pursuant to Section 90(2) of the *Local Government Act 1999* Council hereby orders that the public be excluded from attendance at this meeting with the exception of the Chief Executive Officer and Staff in attendance at the meeting in order to consider Report No: 150/17 – Question on Notice – Glenelg Football Club in confidence.
  2. That in accordance with Section 90(3) of the *Local Government Act 1999* Council is satisfied that it is necessary that the public be excluded to consider the information contained in Report No: 150/17 – Question on Notice – Glenelg Football Club on the following grounds:
    - d. pursuant to section 90(3)(d) of the Act, the information to be received, discussed or considered in relation to this Agenda Item is commercial information of a confidential nature (not being a trade secret) the disclosure of which could reasonably be expected to prejudice the commercial position of the person who supplied the information in that the Glenelg Football Club's and that this information may prejudice the commercial position of the football club.

In addition, the disclosure of this information would, on balance, be contrary to the public interest. The public interest in public access to the meeting has been balanced against the public interest in the continued non-disclosure of the information. The benefit to the public at large resulting from withholding the information outweighs the benefit to it of disclosure of the information.
  3. The Council is satisfied, the principle that the meeting be conducted in a place open to the public, has been outweighed by the need to keep the information or discussion confidential.
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Item No: 17.2

Subject: MOTION ON NOTICE – GLENELG FOOTBALL CLUB – COUNCILLOR DONALDSON

Date: 23 May 2017

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#### PROPOSED MOTION

Councillor Donaldson proposed the following motion:

**That the CEO convey to the Glenelg Football Club and South Australian National Football League, the following:**

- 1. Council will accept a loan repayment of 1/3 ANZ 2/3 CHB from SANFL funds to be paid annually up to and including 2022. This is to be put into a binding agreement, ensuring that it is structured to protect the interests of the City of Holdfast Bay e.g. tax payments etc.**
- 2. Write off past interest owed and future interest for a 6 year period. The ability for the GFC to continue to pay interest after that time, will then be reviewed by the CHB.**
- 3. Leave loan principal against the GFC and review the ability of the club to pay the remainder of the loan after the six years has transpired.**
- 4. Use BRIF along with the CEO as the CHB agent in negotiations.**

#### RECOMMENDATION - RETAIN IN CONFIDENCE - SECTION 91(7) ORDER

**That having considered Agenda Item 17.2 Motion on Notice – Glenelg Football Club (Report No: 176/17) in confidence under section 90(2) and (3)( d) of the *Local Government Act 1999*, the Council, pursuant to section 91(7) of that Act orders that the report and minutes be retained in confidence for a period of 24 months and that this order be reviewed every 12 months.**

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#### BACKGROUND

Glenelg Football Club (GFC) applied for a loan secured by City of Holdfast Bay (CHB) in 2001 to build a Function Centre. In 2013 GFC applied to CHB to redraw on their loan. This motion was passed by council.

Recently, the GFC has experienced difficulty in meeting loan repayments and other ongoing debts.

In 2016, GFC approached CHB council for financial relief. A working party was formed and negotiations between the 2 parties have still to be finalised.

The GFC is now faced with insolvency, particularly if there is no compromise between them and the CHB. The GFC's cash flow over the next 5 years has become crucial. CHB council can refuse any further financial support for the GFC, probably ending in insolvency of the club. This will lead to the CHB receiving none of the debt repayments due. This decision will not benefit the CHB rate payers and arguably, the CHB community.

As a group of elected members, together with BRIF and Council administration, we have discussed this issue in depth over a long period of time. It is time to move forward understanding all of the associated issues.

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