

 City of Mount Gambier	R200 - COMMUNITY LAND (RESERVES) LEASE / LICENCE / RENTAL ARRANGEMENTS POLICY	Version No:	8
		Issued:	August 2019
		Next Review:	August 2020

1. INTRODUCTION

This documents sets out the policy of the City of Mount Gambier ("Council") for:

- 1.1 Leasing / licensing of Council community land (Reserves) to community based organisations; and
- 1.2 Expense recovery where community land is occupied by a sporting association and where Council maintains the facilities.

2. DEFINITIONS

“Community Land” – any ‘*local government land*’ as defined in the Local Government Act 1999 that has not been excluded or revoked of its classification as community land, including land owned by Council or under Councils care control and management, and including reserves, ornamental grounds and parklands.

3. LEASE/LICENCE POLICY

3.1 Policy Provisions

Where Council proposes to (re)grant a lease or licence for any portion of community land to a community based not for profit organisation (including sporting clubs) pursuant to the provisions of the Local Government Act, then the conditions under which any lease or licence may be granted under (sub) delegation should include:

3.1.1 Lease Term: should not exceed ten (10) years;

3.1.2 Licence Term: should not exceed five (5) years;

3.1.3 Public Liability Insurance:

Minimum sum of \$10,000,000.

Minimum sum of \$20,000,000 if any building works to be undertaken.

3.1.4 Lease or Licence Fee:

Is the "declared" figure per annum plus GST

The "declared" figure is the annual fee that Council resolves at the commencement of each financial year.

For all subsequent years of the lease / licence then the "declared" annual fee be increased (or decreased) by the overall percentage rate increase (or decrease) that Council adopts for each financial year on a compounding calculation plus GST.

The Chief Executive Officer may waiver payment of the declared figure in exceptional circumstances (e.g. where it is considered that payment would be of unreasonable detriment to the lessee/licensee; such as in the case of a newly created organisation).

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3.1.5 Rounding Down:

In applying part (b) of this Policy i.e. the compounding use of the overall percentage rate increase (or decrease) to the annual lease fee then the resultant calculation be rounded to the nearest whole dollars.

3.2 Annual Review of 'Declared' Figure

3.2.1 In terms of the lease or licence fee, the declared lease fee be \$495 (plus GST) for the 2019/2020 financial year, calculated as follows:

$$\$474 + 4.5\% = \$495 (+GST)$$

3.2.2 The Chief Executive Officer be authorised to amend the figures in clause 3.2.1 of this Policy on the basis set out in 3.1.4 and 3.1.5 above, on an annual basis.

4. RENTAL POLICY

4.1 Where Council maintains the recreation and sporting facilities on community land that is leased/licensed, occupied or used by a sporting organisation, then the following rental policy will apply when calculating the cost recovery by Council from that sporting organisation:

4.1.1 A Base Annual Rental is set to cover the annual maintenance costs of the reserve (playing area and immediate related surrounds) incurred by Council in the previous year and in respect of that specific occupier(s) anticipated/actual level of use;


4.1.2 The Base Annual Rental, may, under certain circumstances, be discounted by a 10% to 20% reduction in maintenance costs where full and free access to the facility is allowed to members of the general public (except when being used by clubs and associations);

4.1.3 A further reduction may occur, based on each specific occupier(s) ability to pay, based on a scale of one (1) to ten (10) with each scale point equivalent to 5% of the Base Annual Rental (maximum is 50%);

4.1.4 A further reduction may occur based on each specific occupier(s) special case. i.e. consideration will be given to the following criteria (each worth 5% discount - maximum of 35% discount).

1	Large capital costs incurred by Club
2	Significant number of juniors
3	Less than significant actual use, wear or tear of Council land
4	Financial capacity of Club
5	Nominal maintenance costs by Council
6	Significant self-help by Club
7	Contribution to Mount Gambier economy (Major Events etc.)

4.1.5 Tenants are responsible for the cost of services to buildings and floodlights, such as electricity, gas, water, etc.

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5. REVIEW & EVALUATION

This Policy will be reviewed during each term of Council, and at any other time as may be required by any legislative changes which may occur.

6. AVAILABILITY OF POLICY

This Policy will be available for inspection at Council's principal office during ordinary business hours and on the Council's website www.mountgambier.sa.gov.au. Copies will also be provided to interested members of the community upon request, and upon payment of a fee in accordance with Council's Schedule of Fees and Charges.

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File Reference:	AF18/48
Applicable Legislation:	Local Government Act, 1999 Chapter 11 Part 1
Reference: Community Plan 2016-2020	Goal 3: Our Diverse Economy
Related Policies:	R210 - Lease Term/Fee (superseded) R240 - Rental Where Council Maintains (superseded)
Related Procedures:	Nil
Related Documents:	Corporate and Community Services Report No. 12/1998 (Establishing Methodology)

DOCUMENT DETAILS

Responsibility:	General Manager Council Business Services
Version:	7.0
Last revised date:	8 August 2019
Effective date:	1 July 2019
Minute reference:	CCS Item 12 - Report No. 33/2014 - 20 May 2014
Next review date:	August 2020
<u>Document History</u> First Adopted By Council: Reviewed/Amended:	18 February 1999 (Superseded Policies R210 and R240) 20 May 2014, 7 July 2014 (clause 3.2.1), 31 July 2015 (clause 3.2.1), 8 August 2016 (clause 3.2.1), 13 July 2017 (clause 3.2.1), 13 July 2017, 8 August 2018 (clause 3.2.1), 8 August 2019 (clause 3.2.1)