

Strategic Outcome Supported: 13 – Increased Community Capacity

1. Policy Objective

- 1.1. The Shire has a number of properties which are used by a range of community organisations, sport and recreation clubs or associations, government agencies and commercial entities through a lease, licence, management agreement or other similar arrangement. This policy outlines the overarching objectives with regards to the management of these properties.

2. Policy Scope

- 2.1 This policy applies to the leasing, licencing, and management of Shire of Donnybrook properties. This includes leases, licences and management agreements held by community groups, organisations, sporting clubs, commercial entities, and government agencies.
- 2.2 This does not apply to regular or occasional hire of facilities for the purpose of programs, events, and activities.
- 2.3 This policy does not apply to the leasing of residential properties.

3. Policy Definitions

- 3.1 **Lease** means a right granted by the owner of land for an occupant to have the exclusive use of that land for a specified period of time in exchange for an agreed rental payment.
- 3.2 **Licence** means an agreement that does not provide for exclusive use of a facility or premises beyond the specified times of access, so no 'interest' in the land is created. Licences are usually used in cases where the facility or premises is shared by several groups, rather than lease agreements.
- 3.3 **Management Agreement** means a contractual arrangement between the Shire and a tenant that outlines the terms and conditions associated with usage. The terms and conditions are not standard and are negotiated between the two parties.

4. Policy Statements

- 4.1 The Shire's Property Management Framework (Framework) has been established to ensure equitable methodology for calculating annual lease and licence fees and detail the standard lease and licence terms and conditions for different types of tenants. The Shire has considered the community benefit in developing this methodology, which includes an incentive to support the provision of valued services to the community.

- 4.2 The Shire is committed to providing a fair, consistent, and transparent approach to the leasing, licencing, and management of Shire properties. The Shire acknowledges that there are a range of tenants and uses, many of which provide valued community benefits.
- 4.3 The Shire's property management objectives are:
- a. To meet Objective 13.1 of Council Plan's to *'Enable community organisations and community champions to deliver services and projects to meet local needs'*, by developing a standardised community lease for community and sporting groups (Priority Project 13.1.1); and
 - b. To establish and clarify a common set of responsibilities and costs with parity between leases/tenants; and
 - c. To ensure transparency and equity, all financial and in-kind subsidisation by Council will be recognised where Shire owned, and managed properties are used to meet demonstrated community needs; and
 - d. To establish manageable governance and administration for both the tenant and the Shire; and
 - e. To enable innovation, capacity building and revenue opportunities for leases/tenants; and
 - f. To ensure sustainable Shire owned and managed properties, effective asset management and demonstrated sound financial management will be prioritised.
- 4.4 Pursuant to Council resolution 116/21 from the Special Council Meeting held on 12 July 2021; Sporting groups associated with the Donnybrook Community, Sporting, Recreation and Events Precinct Project will not receive a fee increase (except for CPI increments) for a period of five (5) years from practical completion. These associated groups are:
- a. Donnybrook Football Club; and
 - b. Donnybrook Tennis Club; and
 - c. Donnybrook Men's Hockey Club; and
 - d. Donnybrook Ladies Hockey Club; and
 - e. Donnybrook Netball Club; and
 - f. Donnybrook Amateur Basketball Association.

Rental Subsidy

- 4.5 Eligible groups awarded a subsidy on their rent, based on the Community Benefit Matrix will be capped at 95%.
- 4.6 Tenants will not be offered a rent subsidy unless they are categorised under this Framework, by completing an Annual Health Check.

Existing Tenancy Transition

- 4.7 Existing tenants will be required to move over to the new Framework to ensure consistency and equity between all leases.
- 4.8 Existing Commercial leases are not required to change until such time as their current agreement expire (including all further terms).

5. Delegation and Authorisation

- 5.1 Delegation 1.2.21 Disposing of Property
- 5.2 Minor changes, as deemed necessary by the Chief Executive Officer, may be made to the Property Management Framework.

6. Legislation

- 6.1 *Commercial Tenancy (Retail Shops) Act 1985*
- 6.2 *Land Administration Act 1997*
- 6.3 *Local Government Act 1995*

7. Version Control – Governance

Related Policy(s):	Nil
Related Procedure(s):	Nil
Responsible Department(s):	Executive Services
Review to be conducted by:	Governance Officer
Review frequency:	<input type="checkbox"/> Annual (1 year) <input type="checkbox"/> Biennial (2 years) <input checked="" type="checkbox"/> Triennial (3 years)
Version Date:	15/11/2023
Next Due:	15/11/2026

Policy Version Details:				
Ver. #:	Synopsis:	Ver. Date:	Ref.:	Synergy:
1	<i>Initial creation of policy</i>	15/11/2023	2013/21	NPP11033