# COUNCIL POLICY LEASING AND LICENSING OF COUNCIL OWNED AND MANGED PROPERTIES



## PURPOSE

Council owns and manages a diverse suite of properties for the benefit of the community, including sporting clubs, community organisations, private and commercial entities, and other parties. This policy sets out the Council's position to allocating its community properties and facilities to provide a consistent, equitable and transparent approach.

# SCOPE

This policy applies to groups, entities, and individuals wishing to access a Council owned or managed property or facility under a lease or lic. All real property assets and facilities that are owned and/or managed by the Council are covered by this policy.

The following are outside the scope of the policy:

- tenders;
- major or minor events;
- outdoor dining; and
- busking and street vending.

## **RELATED DOCUMENTS**

Leasing and Licensing Directive

**Disposal of Council Land Policy** 

# STATUTORY REQUIREMENTS

Acts	Local Government Act 1993, Residential Tenancy Act 1997
Regulations	Local Government (General) Regulations 2015, Fair Trading (Code of Practice for Retail Tenancies) Regulations 1998
Australian/International Standards	N/A

## DEFINITIONS

Council means Glenorchy City Council

**Council property** means property, including land and buildings, owned or managed by Council. This includes, for example, halls, buildings, reserves, sports fields and community centres.



Facilities means buildings or structures built on Council land.

**Lease** means a formal agreement for the exclusive occupation and/or use of a Council property or a specified area within a Council property.

**Licence** means a formal agreement for non-exclusive, intermittent or shared use of a Council facility (e.g. the use of sports grounds).

Tenant means the lessee or licensee.

## POLICY STATEMENT

#### **General Approach**

- 1. Council will manage its property resources efficiently, equitably, and transparently, including how we allocate facilities and charge for their usage.
- 2. Council encourages use of its facilities and properties by a broad range of groups and organisations where they provide for a need within the community, provide required services or aid in building a strong and connected community.
- 3. Council will comply with all relevant legislation in relation to the use of its property.

## Appropriate use of Council property

- 4. In allocating its property for community use, Council will endeavour to provide the most appropriate available Council facility to meet the needs of the user.
- 5. Council will promote and arrange shared use of public facilities where feasible and within the carrying capacity of the facility. This may involve sharing buildings or spaces at the same time or at different times.
- 6. Council will maximise the use of vacant or underutilised land to provide greater community benefit as opportunities are identified.
- 7. Council reserves the right to refuse to lease or licence any property or facility for events or activities that do not meet its criteria or conflict with its plans and strategies.
- 8. The Tenant is responsible for obtaining any required statutory permits (e.g. Planning Permits) relating to the Tenants occupation and use of the facility

## Allocations

- 9. In allocating its properties, Council will take into consideration:
  - the type of use deemed most appropriate for the property;
  - availability of alternative property;
  - whether applicants or their memberships are predominantly based in Glenorchy;

- any prior tenancy history of the applicant;
- existing seasonal use;
- applicants' willingness to share facilities with other user groups where feasible; and
- uses that align with Council's strategic plan or other strategies in regard to achieving our community's goals

## Lease or licence agreements over Council property

- 10. All leases and licences will be subject to formal written agreements reflecting appropriate legal and commercial standards.
- 11. All lease and licence agreements will reflect the nature of the occupancy and contain terms and conditions that comply with this policy.
- 12. The term of a lease or licence must not exceed 5 years unless there are extenuating circumstances that would cause unreasonable disadvantage to either party. These circumstances could include where the tenant has fully funded the development of the property and/or is making a substantial investment in the property that aligns with Council's goals. Terms exceeding 5 years must be approved by the Manager Property Environment and Waste and will only be granted by exception and where in the best interests of the Council. Lease terms exceeding 5 years are also subject to Council's Disposal of Council Land Policy and Section 178 of the *Local Government Act 1993*.
- 13. Tenants must provide appropriate public liability insurance and comply with legal work health and safety requirements.
- 14. Tenants will not be permitted to sublet without Council's express written consent.

## Income from use of Council property

- 15. To help ensure continued provision of appropriate, well-maintained facilities for the foreseeable future, Council will generally aim to obtain a market commercial return on the commercial use of its properties. However, Council recognises that some groups receive no or minimal profit and provide particular benefits to the community and takes this into account when determining lease and licence fees. Examples of such groups include charities, not for profits, sporting and community groups.
- 16. Wherever possible, Council will recover its costs in supplying a property, unless concessions are made in accordance with 14 above.
- 17. Lease and licence charges are guided by Council's Leasing and Licensing Directive.
- 18. Council reserves the right to complete background checks of tenants, including financial sustainability, in accordance with legislative controls.



#### Capital works by lessee or licensee

- 19. Capital works must not be carried out on land leased or licensed from Council without first obtaining the written consent of the Manager Property, Environment and Waste.
- 20. If statutory approval is required (e.g. Planning, Building or Plumbing Pemits), the tenant is responsible for lodging the applications and meeting all the requirements including obtaining landowner consent and payment of fees associated with the applications.
- 21. If all necessary approvals have been obtained, the tenant must ensure the works are carried out professionally, to required standards and within a reasonable time frame.
- 22. All new assets built legally on Council land will become the property of Council upon completion, unless explicitly agreed otherwise by Council in writing.

#### BACKGROUND

This policy supersedes the previous version adopted in 2020. It operates in conjunction with Council's Leasing and Licensing Directive which sets out the operational aspects of leasing and licensing which Council staff are required to follow.

## **DOCUMENT CONTROL**

Version:	2.0	Adopted	26 April 2023	Commencement Date		27 April 2023	
Minutes Reference	Council Meeting, Item 3			<b>Review Period</b>	4 Years from adoption		
Previous Versions:	v 1.0 adopted 29 June 2020 (Council meeting, Item 15)						
Responsible Directorate	Infra Wor	structure and ks	Controller:	Manager Property, Environment and Waste			
ECM Document No.:	Policies by Directorate						