

Property Management Policy

Policy Objective

The Objectives of this Policy are:

- a. to optimise use of the Town's community facilities for the benefit of the Town of Bassendean community;
- b. to ensure Town owned and managed properties are used to meet demonstrated community needs consistent with Council's policies and the Strategic Community Plan; and
- c. to provide for sound financial management, sustainable asset management and effective administration of the Town's properties.

To meet the Town's Strategic Community Plan's Priority Area 1 (Strengthening and Connecting our Community), Town owned and managed properties will primarily be available for local not-for-profit organisations, community sporting groups and other community purposes.

To meet growing community needs and maximise community benefit, Town owned and managed properties will be prioritised for use where occupancy arrangements include co-location, shared use and highest community utilisation.

Where appropriate, Town owned and managed properties may be identified and made accessible for commercial activities for income generation to support and encourage sustainable Town owned asset management.

Policy Scope

This Policy applies to the leasing and licensing of the Town's properties.

The Town has a number of properties that are used by a range of community organisations, sport and recreation clubs or associations, government agencies and commercial entities through a lease or licence arrangement. This policy sets the overarching principles for the management of these properties.

The policy does not include regular or occasional hire of facilities for the purpose of programs, events and activities.

Policy Statement

The Town is committed to providing a fair, consistent and transparent approach to the leasing, licencing and management of Town owned and managed properties. The Town acknowledges that there are a range of tenants and uses, many of which provide valued community benefits.

The Town is committed to best practice in property management that complies with the *Local Government Act 1995* and the *Local Government (Functions and General) Regulations 1996*.

Community Leasing/Licensing

The Town may enter into a lease or license agreement with sporting clubs and community organisations for exclusive or shared use of Town property. The sporting club or community organisation will, ideally:

- Provide a service that is unique, specific and meets a high level of need, or meets identified social/community needs;
- Have the capacity to generate revenue from its use of the property;
- Demonstrate an affordable membership regime and good governance and facilitate programs and activities that add value to the social and community fabric of the Town;
- Be a not-for-profit organisation, community group or club run by volunteers or paid workers;
- Service the local community and may be locally-based or may be part of a larger not-for-profit organisation; and
- Be incorporated under *Associations Incorporation Act 1987*.

This Policy is supported by a Community Leasing Framework (Framework), which applies to lease and license agreements with sporting clubs and community organisations for properties owned or managed by the Town. This Framework establishes an equitable methodology for determining eligibility criteria, setting annual lease and licence fees, and determining lease and licence terms and conditions for different types of tenants. The Framework does not apply to commercial leases and licenses.

Operation of the Framework will be regularly monitored to ensure the objectives of this Policy are met.

The CEO may enter into a lease or license agreement with sporting clubs and community organisations where the terms of the lease or license agreement are consistent with the essential terms in the Framework.

Commercial Leasing/Licensing

The Town may enter into a lease or license agreement with government bodies, commercial entities, or state and national clubs, associations and community organisations.

Such organisations will generally have the following characteristics:

- Provide services that are generally not within the remit of local government and there may not be a direct local community benefit due to the nature of the group or organisation; and
- Be externally funded or generate revenue through membership fees, events, venue hire, the sale of services or products or other means.

For example, commercial recreation and leisure centres, for-profit day care centres and schools, state-wide or national not-for-profit organisations and sporting clubs, child health clinics, medical practitioners, retail shops and office accommodation.

Lease and license agreements with these organisations will be negotiated on a case-by-case basis, having regard to all relevant factors, including:

- Appropriate lease or license term, which is not to exceed:
 - For a lease: an initial term of ten (10) years with one or more extensions for a total additional period of not more than ten (10) years;
 - For a license: a period of five (5) years with no extension option;
- Commercial lease or license payments;
- Lease or license payment concessions arising from community contributions aligned with the Town’s objectives;
- Tenant responsibilities for payments, insurance, repairs and maintenance and capital upgrades; and
- Town responsibilities for inspections, repairs and maintenance and capital renewal
- Any other relevant factor.

Council will approve commercial lease and license agreements.

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Legislation:	<i>Local Government Act 1995</i> <i>Local government (Functions and General) Regulations 1996</i> <i>Occupiers’ Liability Act 1985</i>		