

## Item 8.3

# Community Groups Occupying Council Owned or Council Controlled Land or Infrastructure

Ordinary Meeting 29 April 2021



Focus on ensuring community places and spaces are vibrant, inclusive, accessible, adaptable and meet the needs of people of all ages, abilities and backgrounds



Social Infrastructure Policy – The social infrastructure network is equitable and accessible to meet the needs of existing and future communities

# Overview



Improved interaction with Community



Simplified process



Improvement in asset base



Flexibility to assess demand

# Asset Context



**243** Community Groups  
occupying Council Owned or  
Controlled Land



**164** Leases  
**45** Licences  
**34** Permits



**522** Buildings &  
**260** structures



Building Condition  
**2.86** – Average (aggregate building score)

- ▶ All Fixed Improvements constructed or installed on Council's land will be considered to be in the ownership of Council from the time they are Constructed or Installed

## EXCEPTION;

- ▶ Council determining that the improvement owner is an alternate entity due to a Mortgage or State/Federal Grant requirement
- ▶ An existing agreement that has determined the improvement owner is an alternate entity (until expiry of that agreement)
- ▶ Specified Crown Ownership

# Benchmarking Context

**Doing well**

- Experienced above average population growth over a 10 year period
- Provides above average number of new sporting facilities
- Uses a wide range of data to inform budgeting
- Provides the widest range of support to clubs
- Provides above average sport and rec land per resident

**Could do better**

- Spent the least capital investment for sport per hectare over the last 10 years
- Charges above average rental fees
- Ranks lowest for paying operational costs outright e.g. water and insurance
- Employs the lowest ratio of Sport and Recreation staff per hectare and population
- Is the only LGA that does not maintain playing surfaces or clubhouses and field lighting

**Recommendations Summary**

- Consider increased staff resourcing to provide an expected level of service to the sporting sector
- Leasing Policy Review should consider increased support for maintenance and operations of sporting facilities
- Leasing Policy Review should reconsider a more equitable leasing arrangement aligned to industry standards.
- Provide increased capital investment in sporting infrastructure

Contributes towards operational costs through grants, whereas other councils pay costs outright

Is the only LGA that does not maintain playing surfaces or clubhouses and field lighting

SCC delegates the most operational financial responsibility to clubs therefore, SCC spends the least amount of annual operational expenditure on maintenance of the benchmarked LGAs.



# Policy Amendments

- **Amend** Maintenance obligations and transfer cost and delivery responsibility for structural and lifecycle refurbishment to Council
- **Amend** Maintenance obligations and transfer cost and delivery responsibility for statutory maintenance to Council
- **Amend** Maintenance obligations and introduce shared responsibility for Heritage conservation and preservation
- **Amend** outgoings to introduce a transfer of cost responsibility for water access charges to Council
- **Retain** that the ownership of improvements on Council owned or controlled land transfer to Council on construction or installation
- **Introduce** greater flexibility of tenure terms, with the introduction of assessment criteria for the determination of eligibility for long term leases
- **Identify** that Council holds insurance for buildings and infrastructure for which it is the recognised owner and no longer require Community Groups to obtain insurance policies for buildings identified as Council owned assets
- **Introduces** fees for a commercial sub-lease of Council owned facilities between a Community Organisation and a third party of up to 50% of the revenue generated by that sub-lease agreement
- **Retains** existing rental charges on a Units of Rent basis, adjusted by councils annual review of Fees & Charges

# Financial

## Cost Transfer to SCC Council

Operating Expense (Per Annum)	Management & Coordination	\$0.376m
	Backlog Maintenance	\$0.729m
	Statutory Maintenance	\$0.989m
	Corrective Maintenance	Inc.
	Water Access Charges	\$0.247m
	<b>Sub Total</b>	<b>\$2.341m</b>

## Remains with Lessee (Estimate Only)

Scheduled Maintenance & General Upkeep	\$0.138m
Response Maintenance (Repairs/Consumables)	\$0.556m
Water Usage (Volume) Charges	\$0.399m
<b>Total</b>	<b>\$1.093m</b>

# Benefits

The benefits of the new policy setting include;

- Community Organisations focusing their time and energies on their community purpose
- Supporting the long term financial viability of Community Groups
- Improvement in building asset base
- The standard of the portfolio is lifted to a consistent and minimum standard regardless of the location or use of the facility
- Ensure statutory maintenance compliance, and standardise the scope and documentation associated with compliance reporting

# Fees & Charges

## Unit of Rent (Retained)

- Community organisations with open membership, without a liquor licence – **One** (1) unit per annum;
- Community organisations with open membership and a Commercial liquor licence or Community Club liquor licence and fewer than 2000 members (all membership types) – **Five** (5) unit per annum;
- Community organisations with open membership and a Commercial liquor licence or Community Club liquor licence and more than 2000 members (all membership types) – **Ten** (10) unit per annum;
- **Annual Review of Fees & Charges**  
One (1) Unit of Rent proposed to increase from \$265 per annum to \$904 per annum on transition to new agreement

## Commercial Sub Lease

- 50% of Commercial Sub-Lease Revenue is remitted to Council
- Stand alone commercial facilities (The Pavilion Café) are returned to the management of Council at the expiry of the (head) lease



# OFFICER RECOMMENDATION

## That Council:

- **Receive and note the report titled “Community Groups Occupying Council Owned or Council Controlled Land and/or Infrastructure policy”**
- **Adopt the revised Community Groups Occupying Council Owned or Council Controlled Land and/or Infrastructure policy**

# Thank you.



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See Council's website for further details  
[www.sunshinecoast.qld.gov.au](http://www.sunshinecoast.qld.gov.au)