

Aligned City Value/s	Approachable	Responsive	Transparent	Innovative
Responsible Directorate	Corporate Services			
Responsible Business Unit/s	Property and Commercial Services			
Responsible Officer	Manager Commercial Portfolio			
Affected Business Unit/s	Recreation and Leisure Services Community Development Facilities, Projects and Assets Parks and Environment Engineering Services Finance Services			

Objective

The City owns or manages land and buildings that are occupied by others under leases, licences or other occupancy arrangements. The City recognises that there are a range of tenants and uses, many of which provide benefits to the community through their activities.

The City endeavours to manage its properties in the best interests of the community and apply a fair, consistent and transparent approach to the leasing and licencing of its properties. The City is balancing competing demands for limited spaces and must consider existing occupancy arrangements, and the current and future needs of its community.

Scope

This policy applies to the leasing and licencing of all the City's properties, whether for recreation, community, government, charitable or commercial use. This policy does not apply to the hire of reserves, buildings or other spaces under casual, regular or short-term hire arrangements.

Policy

In considering entering or renewing a lease or licence the City will take into regard the benefits to the community. Considerations include:

- Community organisations providing services and activities meet a demonstrated community need
- Tenants must be financially self-sufficient and have the capacity to perform their lease or licence obligations, as well as sustain their core activities
- The use of community properties should be optimised through shared-use and co-location where possible
- Commercial tenancies will only be contemplated under appropriate commercial terms

Use of City facilities under a lease or licence is one of the ways the City recognises the important role that community and sporting groups play within Stirling.

Principles for managing agreements with Community and Sporting Groups are as follows:

- Fairness – so no one group is advantaged over another and groups using the same premises are subject to the same obligations
- Transparency – agreements have consistent terms where possible
- Simplicity– agreements are straightforward for both landlord (the City) and tenant
- Facilities are used appropriately (for example, use one day a week may not justify exclusive lease) and Clubs can make the facilities available when they are not using them through hire arrangements

Recognising that the City has a diverse range of tenants, the City classifies tenants into groups, and this categorisation is used to determine:

- the term of the lease or licence;
- the lease or licence fee payable;
- the outgoings and other charges applicable; and
- the allocation of responsibilities for building repairs and maintenance.

The groups are as follows:

- Community and Sporting
- Government / Larger Not for Profit / Charitable Organisation / State Sporting Body
- Commercial

Community and Sporting groups are further broken down into one of five categories, scaling from minimal or intermittent use through to significant function centre capacity:

Category	Description	Examples	Annual Fee Inclusions
Category 1	May occupy land only or very small premises. Infrequent or intermittent use.	Markets, Community Gardens, Toy Libraries	Utilities, building insurance, Emergency Services Levy, residential waste, community safety service charge.
Category 2	Shared clubroom premises. Seasonal activity.	AFL, Cricket and Soccer Clubs	Utilities, building insurance, Emergency Services Levy, residential waste, community safety service charge.
Category 3	Annual use, exclusive premises, smaller group	Playgroups, Kindergartens, Scouts, Guides, Pony Club, Men's Shed, Community Service groups	Utilities, building insurance, Emergency Services Levy, residential waste, community safety service charge.
Category 4	Annual use, exclusive premises with standard function centre. May employ staff for key positions.	Bowling and Tennis Clubs, some Soccer clubs	Utilities, building insurance, Emergency Services Levy, residential waste, community safety service charge.
Category 5	Annual use, exclusive premises with significant function centre. May employ staff for key positions.	Cultural Clubs, Bowling and Tennis Clubs, Surf Life Saving Clubs	Emergency Services Levy, residential waste, community safety service charge.

Rates are donated back to all community and sporting tenants.

Structural maintenance is a Landlord responsibility and general maintenance responsibilities are either a Landlord responsibility or a Tenant responsibility, as expressly stipulated in each lease or licence.

To ensure transparency and fairness, the City will make publicly available tenant categories and the terms and conditions applicable to each category.

Definitions

Lease

A lease provides the occupant with exclusive use of land and buildings for a specific time period in return for an agreed rent. It is commonly used where a tenant is using the entire premises for the one purpose.

Licence

A licence provides permission for the occupant to access premises for a particular purpose, at specific times and under conditions, in return for an agreed licence fee. It is most commonly used when premises are shared or an occupant is only using a part of the land or building.

Relevant management practices/documents

Lease and Licence Management Practice

Legislation/local law requirements

Local Government Act 1995 – Section 3.58 sets out requirements for the disposal of property including by way of lease or licence.

Office use only				
Relevant delegations	Not applicable			
Initial Council adoption	Date	31 March 2026	Resolution #	0326/026
Last reviewed	Date		Resolution #	
Next review due	Date	2028		