

Purpose

The purpose of this policy is to set consistent pricing guidelines relating to all leasing, licensing and hire of Council owned and managed recreation reserves, public halls, land and buildings.

The policy will assist in ensuring a consistent, equitable and transparent approach is maintained. The Pricing Policy is a high level document and is to be read in conjunction with the pricing strategy and implementation plan which guide the implementation of this policy.

Legal

Council will refer to and comply with relevant Legislative Acts of Parliament and regulations when conducting any property transactions. These include, but are not limited to;

- Local Government Act 1989
- Retail Leases Act 2003
- Land Tax Act 2005
- Crown Land Management Act
- Good Practice Guide for Special Committees of Council

Strategic

The principles of this policy are financial sustainability, equity, utilisation, transparency and accountability. These align with the principles for delivering the Council Plan 2013-2017, Council Leadership and Management, *financial responsibility and responsible management of Council resources and people*. The pricing policy aligns with the Community Services Framework goal of *providing community facilities which provide community hubs that are 'fit-for-purpose' being multi use, shared spaces with co-located services*.

Council will refer to and align with relevant Council plans and strategies when setting, administering and reviewing the Pricing Policy and Pricing Strategy. These strategies and plans include;

- Property Policy
- Asset Management Policy
- BawBaw 2050
- Recreation Strategy 2005-2015
- Town and Reserve Master Plans
- Open Space Maintenance Policy
- Open Space Strategy
- Baw Baw Shire Planning Scheme
- Community Services Framework
- Municipal Public Health and Wellbeing Plan

Pricing Fundamentals

In order to responsibly manage existing and future Council assets appropriate rentals need to be set and collected by Council. There is a significant renewal gap in Council facilities which Council is responsible for reducing and then maintaining to an appropriate standard. In setting pricing, this policy will provide the guiding principles so that fees are fair and equitable for users across the Shire.

At the same time Council desires to see the community using and benefiting from facilities which are provided. This policy adopts the practice of maximising the use of Council buildings

through encouraging and maintaining the shared use and tenancy of facilities. It is helpful in providing robust business cases for funding applications and supporting budget allocations for maintenance and improvements to facilities. Council's preference is to support applications where shared use of facilities can be actively demonstrated by all stakeholders involved or single use where merited.

Principles

The following principles will be used in determining the fees charged for the use of Council facilities;

- **Shared/Multi-User/Single User facilities**
Maximising use of Council facilities results in increasing community capacity and relationships between groups and reduced costs to tenants. Organisations who share facilities will benefit from sharing fees and charges.
- **Participation**
Participation in community life provides multiple benefits for individuals, communities and Council. Participation is central to many community groups and organisations. In recognition that some organisations do not have the capacity to raise significant funds and provide for minority and specialist sectors in the community, the policy and setting of fees provides recognition and allowances for the benefit that community organisations offer.
- **Cost Recovery**
While Council maintains facilities and buildings, a key foundation of this policy is proportional cost recovery. Council will continue to subsidise the community organisations using its facilities.
- **Equity**
Users of Council facilities will be charged fees which are consistent with like organisations and are benchmarked against other Councils.
- **Affordable**
Fees will be set at levels that allow organisations to remain sustainable while balancing the cost of providing and maintaining high standard facilities. All fees will be published annually in the fees and charges schedule of Council's budget. Fees will increase annually to ensure that users continue to make a reasonable contribution to the maintenance and renewal of Council community facilities.

Revenue received from tenancy of Council Reserves, Land and Buildings

In managing the revenue received from recreation reserves, halls, land and buildings, revenue will:

- Be receipted in Council's general ledger to the specific facility and placed into consolidated revenue to be used to offset costs against a reserve, building or property.
- Be utilised to upgrade, maintain and provide new community facilities.
- Outstanding debtors will be pursued in line with Council's 'Financial Management' policy.
- Be reported as part of Council's Annual Report.
- Be reviewed annually with fees published in Council's fees and charges schedule as part of the annual budget process.

Community Good Quotient

A large number of community and not-for-profit organisations utilise Council buildings. Council is supportive of making its facilities available to community organisations and subsidising their rent. A system of defining and applying a community good quotient will be used to provide a

rental subsidy between 10% and 100% to organisations. The Community Good Quotient does not apply to sporting clubs.

In some instances, Council may wish to apply discounted rent to not-for-profit organisations by applying the community good quotient discount. Any discounted rent to a not-for-profit organisation is to be a decision of the Council.

Review

This policy is to be reviewed and adopted by Council every twelve months. Fees will be reviewed annually as part of Council's budget process.

Status: Draft V5.0

Approval Date: 25th May 2016

Approval Authority: Council

Policy Effective From:

1 July 2016

Due for Review on:

JUNE 2017

Responsible Section:

Council Business - Property Management Coordinator

ADOPTED