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Related legislation:	<ul style="list-style-type: none"> • Local Government Act 2020 • Crown Land (Reserves) Act 1978 • Land Act 1958 • Land Regulations 2016 • Retail Leases Act 2003 • Retail Leases Regulations 2023 • Residential Tenancies Act 1997 • Residential Tenancies (Caravan Parks and Moveable Dwellings registration and Standards) Regulations 2024 • Residential Tenancies Regulations 2021 • Occupational Health and Safety Act 2004 • Planning and Environment Act 1987 • Traditional Owners Settlement Act 2010 • Heritage Act 2017 • Public Health and Wellbeing Act 2008 • Gender Equality Act 2020 • Child Wellbeing and Safety Act 2005 		
Related strategic documents, policies, or procedures:	<ul style="list-style-type: none"> • Property Leasing and Licensing Procedure 2025, MASC • Leasing Policy for Victorian Crown land 2023, DEECA • Crown land lease allocation procedure 2023, DEECA • Community Use Category Assessment 2023, DEECA • Committee of Management Guidelines for voluntary Crown land reserve committees of management, 2021 DEECA • Dja Dja Wurrung Clans Aboriginal Corporation Land Use Activity Agreement 2018 • Caravan Park Fire Safety Guidelines, 2024, Country Fire Authority • Best Practice Management Guidelines for Committees of Management: Managing Caravan and Camping Parks on Crown Land 		

	<p>2012, DEECA</p> <ul style="list-style-type: none"> • Improving equity of access to Crown land caravan parks 2011, DEECA • Crown land caravan parks policy update 2019, DEECA • Building Asset Management Plan 2023 – 2028, MASC • This Is My Building 2.0 (TIMB2.0), MASC • Risk Management policy 2020, MASC • Community Engagement Policy 2024, MASC • Council Plan 2021 – 2025, MASC • Disability Inclusion Action Plan 2023 – 2027, MASC • Gender Equity Action Plan, 2021 – 2025, MASC • Fair Access Policy 2024, MASC • Local Law 2020, amended 2023, MASC • Pricing Policy 2023, MASC • Climate Change Strategy 2023, MASC
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Date	Version Number	Details of Version	Modified by
11/07/2025	2	Draft	Property Portfolio Coordinator

1. Purpose

The purpose of this policy is to establish an operational framework for the allocation and administration of leases and licences of Council owned and managed properties through a fair, equitable, consistent, and transparent process in compliance with legislative and Council's risk management requirements.

2. Context

On behalf of the community Council owns or manages a considerable property portfolio consisting of freehold parcels and Crown land reserves, most including buildings or other infrastructure.

Properties that are not required for Council's operational needs can be leased or licensed to community groups or commercial operators to support the provision of services to the community.

There is considerable community benefit to be gained by providing property to community groups, clubs, and other not-for-profit groups as their purpose is generally to promote and deliver social, recreational, sporting, educational and / or community engagement benefits for residents. Leasing commercial properties to commercial operators provides an income stream to Council.

Shared responsibility for properties assists with the management and maintenance of the property and retains these properties in use and circulation while reducing the hands-on daily management of Council's properties by Council officers.

3. Scope

This policy applies to Council owned and managed properties where it is determined that a lease or licence is the most appropriate form of occupancy.

This policy does not apply to properties managed by Community Asset Committees, seasonal user agreements, hire of venues, agreements that relate to neighbouring properties, or unused road reserves.

This policy does not apply to leases or licences where Council is the tenant and / or head tenant for a community group, however it will be given consideration regarding the end lessee or licensor when Council is requested to assume management of property that is owned by another organisation.

4. Policy

4.1 The occupancy of Council's properties should be managed to ensure the greatest benefit to the community and Council. This is to be achieved with regard to the guiding principles outlined below:

- **Alignment with Council Plan**

The leasing and licensing of the use of Council properties will align with Council's values as identified in the Council Plan and other related Council policies.

- **Community Benefit**

Council properties will be leased and licensed to community groups and commercial operators to deliver a community benefit.

- **Multi-use of properties**

Optimise the use of Council properties through enabling multiple user access where practicable.

- **Fairness and Equity**

The allocation of leases and licences that provide fair and equitable access will be considered favourably

- **Transparency and Accountability**

The leasing, licensing and use of any Council property must be in compliance with all statutory requirements including the Mount Alexander Planning Scheme.

Lessees and Licensees of Council properties must demonstrate capability and financial capacity to deliver the proposed service.

When determining suitability of a tenant, Council will consider all costs including opportunity costs and subsidies associated with providing a facility.

A list of Council properties leased or licensed will be publicly available.

- **Environmental impacts**

When determining suitability of a tenant, Council will consider any impacts the lessee or licensee's activities will have on the environment.

- **Risk Management.**

When determining suitability of a tenant, Council will give consideration to the mitigation and management of any risks associated with the property, its use and its management.

- **Access**

Council will favourably consider leasing and licensing to groups whose activities enable public access to the property. Either through the service provided by the lessee or licensor, or through the availability of the property for hire.

4.2 Types of Agreements

Unless mandated by legislation Council's preference is to enter into licences with community groups. Using a licence ensures that Council properties are available to be used to their greatest potential and maximises access to the property as multiple licences can be issued for one property.

Leases will be prepared by Council's solicitors.

A standard licence agreement has been developed for use of Council property. Where the property is Crown land and Council is the committee of management, DEECA have provided a suite of templates for use.

In some instances, agreements may be required to be updated during the term.

4.3 Telecommunications facilities

Council will retain the entire rental payable under a lease by a telecommunications provider for the use of Council owned or managed property and will use that rent for the benefit of the entire community. The rental will not be shared with individual clubs or organisations that use part of the land upon which the telecommunications facility is located.

Individual clubs, organisations and tenants must not negotiate directly with any telecommunication provider in relation to use of a Council owned or managed property.

5. Council decision making

Once it is determined to lease or license a Council owned or managed property, the Property Leasing and Licensing Procedure will be invoked and the Property Leasing and Licensing Tenant Eligibility Assessment Criteria (annexed to this Policy) will be used to determine appropriate tenant/s.

Approval to grant a lease or licence can be either by Council or the CEO under delegation, subject to the term and annual rental valuation. Where:

- Council approvals leases and licences for a term of greater than 10 years and / or an annual rental valuation of greater than \$100,000.
- Chief Executive Officer approves leases and licences with a term less than 10 years and an annual rental valuation of less than \$100,000.

Despite the above thresholds, there may be instances when it is deemed appropriate for the matter to be determined by Council.

6. Roles and responsibilities

Position	Responsibility
Council	<p>Responsible for making decisions under Section 115 of the Local Government Act 2020.</p> <p>Determines leases and licences for a term of greater than 10 years and / or an annual rental valuation of greater than \$100,000.</p>
Chief Executive Officer	<p>Approval for leases and licences with a term of less than 10 years and an annual rental valuation of less than \$100,000.</p> <p>The Chief Executive Officer or Director are responsible for signing lease and licence documents.</p>
Director	<p>Endorsement of and signing of leases and licences within delegation, that have been presented to Council and or the CEO.</p>
Service delivery	<p>The process of providing an activity that responds to the needs of the local or wider community.</p>
Service Manager	<p>Create strategic documentation relating to current and future service needs which is to be used to guide future occupancy agreements.</p> <p>Management of the relationship with lessees and licensees.</p> <p>Negotiates terms with lessee / licensee in line with Council's Policy.</p> <p>Preparation of the Community Benefit Schedule and any special conditions to be included with the lease or licence agreement.</p>
Property Portfolio Coordinator	<p>Develop and implement policy, provide advice, guidance, template agreements and key terms.</p> <p>Attend negotiation meetings and provide advice to Service Manager regarding compliance with agreements and legislation.</p> <p>Consultation with relevant stakeholders to ensure policy, compliance and legal requirements are met.</p> <p>Administration process of establishing new leases and licences, including getting all documents completed, approved and signed by all parties.</p>

	<p>Maintain records and lease register.</p> <p>Oversee ongoing administration processes, including invoicing.</p> <p>Apply for approval in principle (grant and purpose) from the relevant State Government department (DEECA) if Council is considering to enter an occupancy agreement under the Crown Land (Reserves) Act 1978.</p>
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7. Definitions

A table of terms and their definitions as they relate to the policy

Term	Definition
Act	The Local Government Act 2020.
Commercial	Includes commercial and retail uses.
Community Benefit	An overall positive contribution or improvement that has positive value to the community, beyond an individual or single interest group. It could include social, environmental or economic benefits through the provision of tangible benefits such as recreational services, cultural services, or improvements to council properties, or less tangible benefits such as support, social enjoyment and engagement opportunities, learning programs, and enhancement of the wellbeing of the local and wider Mount Alexander Shire community.
Council managed property	Land and any buildings or other improvements that is freehold land owned by Council or Crown land managed by Council.
DEECA	The Department of Energy, Environment and Climate Action.
Head lease	Where Council: a) leases a property owned by a third party with the intention of sub-letting part or all of the property to a different occupant; or b) leases to a Tenant and the Tenant then rents out part or all of the property to a third party under a Sub-Lease
Lease	A lease is a right or grant by the landowner (landlord) to another person or legal entity (tenant) to have exclusive possession of that land, or part thereof, for a fixed term or duration in return for rental payment. A lease creates an interest in land that is binding on third parties and is capable of being assigned, unless the lease specifies to the contrary.
Licence	A licence permits a person or legal entity to occupy land (or part thereof) on particular conditions. The main feature that distinguishes a licence from a lease is that a licence does not give exclusive occupancy of the property. Unlike a lease, a licence does not create any interest in the property and the rights created by a licence are personal and do not continue with the property should Council dispose of it.
Service delivery	The process of providing an activity that responds to the needs of the local or wider community.

Service manager	<p>A dedicated Council staff member will be allocated to each lessee or licensor based on the alignment of the purpose of the lease or licence with the relevant Council service area.</p> <p>They will be the stakeholder and primary liaison with the lessee / licensee for matters not related to Lease/Licence management.</p>
Sub-lease	<p>Where Council rents out part or all of a property which it does not own, but leases from a separate party under a Head Lease.</p>

8. Human Rights Statement

It is considered that this policy does not impact negatively on any rights identified in the Charter of Human Rights and Responsibilities Act (2006). Mount Alexander Shire Council is committed to consultation and cooperation between management and employees. Mount Alexander Shire Council will formally involve the Workplace Consultative Committee in any workplace change that may affect employees.

9. Gender Equity

It is considered that this policy goes towards promoting gender equity principles as outlined in the *Gender Equality Act 2020* and does not contribute in the promotion of inequalities. Mount Alexander Shire Council is committed to meeting its obligations as stated in the Act and to further promote the right to equality as set out in the Charter of Human Rights.

10. Child Safety

Mount Alexander Shire Council is committed to being a child safe organisation and has zero tolerance for child abuse. We recognise our legal and moral responsibilities in keeping children and young people safe from harm and promoting their best interests.

Council is not responsible for monitoring the specific child protection requirements for organisations or community groups who occupy Council managed or owned property. This is the responsibility of the lessee or licensee.

Property Leasing and Licensing Policy

Annexure 1: Property Leasing and Licensing Tenant Eligibility Assessment Criteria

The following evaluation framework and weightings will be used to determine a suitable tenant for Council properties.

Evaluation criteria	Weighting	No	Questions
Statutory requirements Suitability of the Council Property for the proposed use.	Pass/Fail	1	Will the proposed use be in compliance with the Mount Alexander Planning Scheme and any other agency's requirements? Consideration including but not limited to: <ul style="list-style-type: none"> • Noise and other pollution • Visual impacts • Flora and fauna • Access, Safety • Increased use and degradation of the space • Use of carparks and associated available car spaces • Effect on adjoining properties (especially residential) • The local community's desire and tolerance for the proposed activity.
		2	Is the property fit for the intended service provision, activity or purpose?
		3	Does demand exist for the service or activity proposed to be provided through the Council property? Consideration of local area's population, growth and the ability for the location to support the activity.
Risk	Pass/Fail	4	Is there a reputational risk to Council or the community if the service provision or activity is not supported through the use of a Council property?
		5	Is there a financial risk to Council through leasing or licensing this property?
		6	Are there regulatory risks associated with Council leasing or licensing this property for its intended use?

Property Leasing and Licensing Policy

Evaluation criteria	Weighting	No	Questions
Transparency and Accountability	25%	7	Does the applicant have demonstrated experience carrying out the proposed service provision or activity to a high professional standard?
		8	Is the management structure and staffing / volunteer levels of the applicant sufficient for the proposed service delivery or activity?
		9	Has the applicant demonstrated they have the capacity to meet licence conditions, including the keeping of records and prompt payment of fees?
		10	Has the existing occupier satisfactorily maintained the property and complied with all requirements and have they represented Council in a proper manner through their performance and behaviours?
		11	Has the existing occupier breached any terms of the occupancy agreement?
		12	Has/will the applicant publicly promote the services to be delivered at the property?
Alignment with Council Plan	20%	13	Does the service delivery or activity offered by the potential occupier fit or relate to the current Council Plan?
		14	Does the service or activity relate to an existing Council commitment?
		15	Does the service delivery or activity offered by the potential tenant fit or align with any management plan, and reflect Council's goals, plans, strategies, policies, guidelines, principles or values?
		16	Does the service delivery or activity align with any state or federal strategies?
Community benefits: social Access Multi-use	25%	17	Does the service delivery or activity deliver a positive outcome for the community beyond an individual or single interest group.
		18	Will the use of the property increase social engagement and promote the health and wellbeing of the community?

Property Leasing and Licensing Policy

Fairness and Equity		19	Does the applicant require the property exclusively or is there possibility for a shared or multi-use?
		20	Will the proposed service delivery or activity provide fair and equitable access for all?
		21	Will the proposed service delivery or activity have an unreasonable adverse effect on free and equitable access to the land or its use?
		22	Does the service delivery or activity provide opportunities or improvements for disadvantaged local people or groups?
		23	Will the occupancy enhance the opportunities for volunteering in the community?
Community benefit: economic	15%	24	Will the service delivery or activity provide social and / or economic benefits to the local community?
		25	Will the service delivery or activity provide a financial or best value return to Council?
		26	Will the service delivery or activity impose a financial cost to Council?
Environmental impacts	15%	27	Will the occupation contribute to positive environmental outcomes?
		28	Will / could the proposed activity have a negative or positive impact on climate change?